



AUGUST · 1936

I N T H I S I S S U E

OPPORTUNITY G. ERLE INGRAM

HEALTH INSURANCE DR. CHARLES R. WILEY

GOOD MORNING ROY F. BERGENGREN

THE OREGON COUNTRY . . . O. C. APPLEGATE, JR.

IT CATCHES ON MAY STANHOPE

THE WAY TO ECONOMIC BETTERMENT

BRIDGE
The

The BRIDGE

The BRIDGE is the way to economic betterment, a magazine devoted to improving the lot of the average of us who work for a living.

ROY F. BERGENGREN, Editor
JANET BUBIER, BRIDGE Tender

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August, 1936

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Publications Committee for Cuna

Claude E. Clarke	Ohio	Claude R. Orchard	Nebraska
Thomas W. Doig	Wisconsin	Earl Rentfro	Missouri
Edward A. Filene	Massachusetts	Hubert M. Rhodes	North Carolina
John L. Moore	California	Edward L. Shanney	Massachusetts

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The Next Step

50,000 Subscriptions by October First



The New, the Bigger, the Better Bridge

In This Issue

For the merry summer month of August we offer you a TRIP THROUGH OREGON. The story carries some of Ted Huggins lovely pictures and was written by the grandson of one of the Oregon trail builders, a credit union member, Mr. O. C. Applegate, Jr.

The Boss went to Nova Scotia and Prince Edward Island during July. *We have to go where the news is* and great doings are now coming out of the Maritimes. You will be interested in a story which combines travel "abroad" and also SOME MOST VITAL CREDIT UNION DEVELOPMENTS!

Ed Shanney contributes an instructive article on "SAVINGS BANK LIFE INSURANCE" and we have a third article (this one by Dr. Wiley) on "GROUP INSURANCE."

We balance an article which we have permission to reprint from AMERICAN BUSINESS showing why industry is turning to the credit union with a good article on CO-OPERATION from the pen of Father Aziere!

And we start talking about CUMET!

This issue also contains the first of four articles about CONSUMER CREDIT by Senator Erle Ingram of great importance to all BRIDGE readers. The story of that important PENNSYLVANIA MEETING is also included together with an article by May Stanhope having to do with the credit union penetration of Hollywood. Vacations and meetings have interrupted our one man band this month so much that this issue is late; we'll try to avoid that difficulty hereafter.

All this and lots more in this issue.

And In the Next Issue

The next issue should be the best to date because the August meeting of the Executive Committee at Spider Lake gave us so much to talk about. There you will find the story of the first year of CUNA and the plans for the second year.

Wah-hoo-wah!

Indians!!! In war paint—in feathers—dancing their dances of death to the pale faces—all in the September issue!

And some more pictures from Sweden and another article by Mr. Hedberg and a story of the Yellowstone with some more of Ted Huggins incomparable pictures.

WE HAVE ALSO LOCATED A REAL SHORT STORY WRITER and hope to have his first efforts in the September BRIDGE!!

Meantime—write it with subscriptions—50,000 or BUST!!!!

We now have 18,500 subscribers to date—just exactly enough to pay for the first six issues; from this point on we are in the red until we get the subscriptions needed to put the BRIDGE on a permanent basis—which means a minimum of 50,000. This is our appeal to you to get other folks in your credit union to subscribe and do it NOW!

Create Purchasing Power!

IN THE Smithsonian Institute at the National Capitol are some "prehistoric" automobiles! I use the word "prehistoric" relatively because the tag on the one which seemed most amusing was dated 1903, not such a long time ago.

There is something inspiring about the evolution of the horseless carriage and the most extraordinary part of the process is the dissatisfaction which has always been the keynote of the automotive industry. I have heard Tom Doig say many times in credit union meetings that a successful credit union board of directors is the dissatisfied board—the board which seeks persistently and intelligently to improve the credit union service. So the automotive industry is predicated on the supposition that the automobile can be improved year by year.

The old 1903 model buttoned up in the back; it came in a time of country roads when the human mind had not projected itself to the point where it could conceive of getting average folks into their own vehicles that they might travel about and rediscover the world. As has been before noted in these columns there are many good citizens who swap in the 1935 cars for the 1936 model the minute the new model is available in order to get the latest gadget—who insist that all political thinking terminated in Washington's farewell Address!

Putting a peg in that fact—that the automobile proves what *forward minded thinking* will do in any industry—let's think for a moment about medicine.

You couldn't get a really first class doctor to admit that we have reached the end of the fight against tuberculosis or cancer. Anyone who is of adult age and who reads the newspapers and gives even so little as passing thought to the matter knows that tremendous strides are being made in matters of preventative medicine. I recall when smallpox, for example, was so frequent in the city where I lived as a boy that the Board of Health had a little red flag which must be displayed on a house wherein an inmate had the disease.

And so the evolutionary process must go on in the matter of making medical and surgical care available for all the people.

This can be done without turning the profession over to the State. We know in credit unions that more of our loans are for medical care than for any other purpose; we know that the average worker after a long sickness in his family, emerges from it hopelessly in debt. We know that many times the doctor (*and the medical profession is resplendant among the professions and starred with true glory*) fails to meet the payment on his flivver because everyone in town owes him money and that, in ninety-nine cases out of a hundred, he serves first and worries about his pay afterwards. We are much interested in better plans of medical care which will be fair to a great profession and will give our people the care they need without the aftermath of mountains of debt.

And so we approach the installment problem diagnostically. What's the matter with this business of buying everything on time? Read Senator Ingram's article in this and in the next three issues of the BRIDGE and you will get some notion of this extraordinary national problem. *And we folks in the credit unions must first understand our problems*—and then solve them intelligently. We mustn't emulate the man who jumped for the ferry (which was a good jump away from the wharf) and found, as he picked himself up and was congratulating himself that he had "made the boat"—that the ferry was coming in! Look—then leap! *Act on the basis of factual knowledge!*

The chief trouble with the installment system is that the credit costs too much money.

When John pays too much for anything he decreases his purchasing power. And John's job depends on what John and everyone else buys.

The present preventable wastes in over-installment charges, too high loan interest rates and other sources of waste of purchasing power total hundreds of millions of dollars annually. This loss has a profound effect on prosperity.

It is our job to get factual knowledge and through the credit union operations to save for our member the full purchasing power of his dollar. That's our job. It has innumerable ramifications. Let's get on with it!

Opportunity

In the Consumer Credit Field

by G. ERLE INGRAM

DURING the 1935 session of the Wisconsin Legislature there was passed Chapter 218, under which was established the Division of Consumer Credit; a branch of the State Banking Commission of Wisconsin. This act was the result of fourteen months' study of automobile dealers, finance companies, and other consumer credit institutions, by a Legislative Interim Committee and the State Banking Commission, and comprehended both direct loans and merchandise sales. Consumer Credit is something in which I have been intensely interested for years, and I presume because of this, and my activities as a member of the Interim Committee studying Consumer Credit problems, I was requested by the Banking Commission to act as Special Counsel for that body in the administration of the new act.

From a more or less intimate contact with various consumers credit agencies in such administration I have formed some opinions and conclusions regarding the credit needs of the consumer in this state. I am sorry I have not had an opportunity to make a more comprehensive study of the country as a whole.

While I realize generalizations for the entire field cannot be properly based upon research in one state, still I feel some deductions of value may be drawn from my experience in Wisconsin.

Consumer Credit

By Consumer Credit, I mean credit advanced to the individual for consumption purposes, as distinguished from money advanced for production purposes.

If, for instance, a bank loans an individual \$300.00 for the purpose of enabling such individual to secure some of the necessities of life, this is a loan for consumption purposes, or a consumer loan, but if the bank loans \$300.00 to a factory for the purchase of raw material or machinery, this is a loan for production purposes and may be classified as a producer loan.

The credit union is concerned with consumer loans and has little, if anything, to do with producer loans. The necessitous loan which the credit union makes is for consumption purposes and not for production purposes. Because of the important bearing credit unions have, and should continue to have in an increased amount, in the field of consumer credit, I desire to discuss their relationship in the State of Wisconsin, with other consumer credit agencies. I know of no better way to emphasize the proper position of credit unions in this great field of credit than by discussing to some extent the work of other consumer credit agencies, their methods and the vast volume of consumer needs which they fill.

During the course of this discussion I must necessarily deal to a large extent with figures and I wish to make it plain that in giving these figures relating to



G. Erle Ingram is one of the select group of individuals who, in the United States, have made an exceptional contribution to the credit union movement. He has had much to do with the perfection of Wisconsin credit union law; he had much to do with making Wisconsin the only state in the union in which credit union organization work is sponsored by the State; he was father of the bill recently enacted to create the Credit Union Finance Corporation, the longest step in the direction of a central agency of discount for credit unions as yet taken. A member of the Wisconsin State Senate he has been serving as Special Counsel for the Division of Consumer Credit of the Wisconsin State Banking Department. For an appreciable period he has been making an authoritative study of consumer credit and he spoke concerning it at the annual meeting of the Wisconsin League, the material and its presentation immediately commanding the interest of the Credit union members present. We asked him to put this material in shape for the BRIDGE and we are proud to offer it, dividing it into four articles which will appear consecutively in issues of the BRIDGE, beginning with this issue.

consumer credit I do not attempt to make more than approximate estimates. Consumer credit being more or less a pioneer field, absolute facts are not available, but the facts, figures, and estimates which I shall attempt to give are based largely upon data which we have compiled in the offices of the Division of Consumer Credit at Madison.

Pertinent Statistics

In a normal year, as I am informed, the gross retail merchandise sales of the United States approximate 54 billions of dollars. In 1929, gross sales of this country were estimated to be 49 billions; in 1933, they had dropped to 25 billions, and although I have not the available figures, they no doubt, in 1935, approximated 40 billions. It is estimated that of the total yearly retail sales made in the United States annually, 17.4% consists of merchandise either sold on time, or paid for by money borrowed with

which to purchase small merchandise, which loans so made are paid off in time payments. In other words, we have annually in the United States, consumer credit time sales and loans for the purchase of consumer goods, in the staggering amount of approximately seven billions of dollars. If we divide this by the population of the United States we have consumer credit advances in this country of \$55.00 per capita. The people of the State of Wisconsin, numbering 2,900,000, therefore, during the year 1935, for the purpose of purchasing automobiles, washing machines, radios, clothing, paying the doctor and meeting other necessities of life, borrowed to pay, buy, or otherwise entered into consumer credit obligations, to the tune of \$150,000,000.00.

Figure this another way. It is estimated that automobile time sales and loans comprise about one-half of the total merchandise time credit sales. According to our Secretary of State's office, from figures compiled in that office, we find that in 1935 there were 613,629 automobile licenses issued. We, likewise, find that there were 174,898 transfers and that out of the total number of automobiles licensed 73,174 were new automobiles. While there are no classifications in the Secretary of State's office showing the number of actual sales nor the amounts of incumbrances, a very conservative estimate, I believe, would show that there were actual sales of better than 300,000 automobiles. There are about two and one-half times as many used automobiles sold as new ones and after making all due allowances, it is safe to assume that the total sales of automobiles in Wisconsin last year amounted to approximately 115 million dollars. We can safely assume that 70% of the total automobile sales is on time. Many estimates are higher, but assuming it is 70%, we have approximately 60 million dollars of advanced automobile time sales in Wisconsin, and better than 30 million of outstandings during the year 1935. Multiply the advances by 2, therefore, to determine the approximate time sales of retail merchandise in Wisconsin, and we have 120 millions of dollars advanced for consumer credit merchandise. Allowing for all discrepancies, we can safely say that there is advanced by consumer credit agencies in retail time sales annually at least 120 millions of dollars. I estimate, from our records, that direct loan agencies, of which I am about to speak, operating in the consumer credit field, advance for necessitous loans in the State of Wisconsin, the sum of 30 millions of dollars, or in other words, that the total time advances in this state for consumption purposes annually can very conservatively be placed at not less than 150 millions of dollars yearly.

Loaning Agencies

There is a varied assortment of agencies engaged in the field of consumer credit operating in this state. Briefly we have small loan companies, under Chapter 214; direct loan companies, under section 115.09, and 115.07; Banks; Sales Finance Companies under Chap-

ter 218; Automobile dealers, automobile salesmen, and credit unions. An understanding of the volume handled by these agencies, and the charges made should enable the credit unions to derive some conception of the opportunity which they have to increase their value to their members and to the public.

Banks

First, I wish to mention Banks. We have at the present time 92 banks licensed as sale finance companies, but I am not now speaking of these. I am referring to character loans made in the usual course of the banking business. By character loans, I mean not so much loans predicated upon security, but loans made for necessitous purposes upon the reputation and character of the particular individual. In 1935, I estimate that the bank loans for consumption purposes in Wisconsin probably equalled or exceeded 7½ millions of dollars. Many of the banks in our state charge \$1.00 as the usual service fee on a \$100.00 note for 30 or 60 days, and in some cases they charge \$1.50. Therefore, on a \$100.00, 60 day, 6% note with a \$1.00 service charge, the rate of interest is 12%. If it is a 30 day note, it is 18%. In case the charge is \$1.50 on a 30 day, 6% note, the rate would be 24%. It is, however, often more, because interest on small notes usually exceeds 6%. The records of the Wisconsin Banking Commission, and the testimony by members of this organization before the Interim Legislative Committee, studying consumer credit problems, is to the effect that *the interest rates on many small bank loans in this state range from 8% to 40%.*

In this connection, however, I do not wish to be misunderstood. I am not in any way criticizing banks for service charges. Cost items of overhead must be considered in consumer credit operations. Legislative investigation of the Banking Commission of Wisconsin, in 1931, produced evidence to the effect that the actual overhead of carrying a small character loan of \$100.00 on the books of the average bank for 30 to 60 days, ranged anywhere from \$1.00 to \$2.50. Obviously, banks are in business for profit and cannot afford to conduct certain lines of business which means a loss to them. I cannot emphasize too strongly that the banks of this country have been and are great instruments for the building of community welfare. In the early days when economic conditions were different, the banks made character loans at a low rate of interest without hesitation. At that time they were allowed to do so without security, and I consider this fact one of the great factors responsible for the development of our state and nation.

However, banking has changed greatly in the past 25 years; new economic conditions have entered the picture. The moral risk of borrowers is not what it used to be. With the advent of the automobile, making change of residence easy, it is now difficult for banks to loan without security. As a consequence, the details of handling notes with security or

with co-signers or guaranty endorsements has increased the cost of handling necessitous loans in the banks. *It is estimated today that 85% of our population are absolutely and entirely without banking credit.* Some writers on this subject place it even higher and claim that only 10% of our borrowers can secure money from banking institutions. Thus it can be readily seen that we are only beginning to explore the vast field of furnishing credit to consumers in this country. *I firmly believe that the sound prosperity of this country is based not so much upon facilities which the 10 or 15 per cent enjoy in banking credit, but on the consumption credit available for the 85 per cent. The real prosperity of our state and nation depends upon the amount of credit available for consumer or necessitous purposes.* The 10 or 15 per cent who do enjoy banking facilities use such loans largely for production purposes, but *production means nothing without consumption. You must first have consumption possibilities before production can exist as a reality.* Consumer credit facilities are becoming more important every day, and I can see unlimited possibilities in this great cooperative credit union movement if the credit union but realizes its opportunity and pursues businesslike methods in its procedure.

In the second installment of this article we will discuss first the other existing loaning agencies which brings us to the very basis of the most serious aspects of the consumer credit problem. The second installment will appear in the September issue of the BRIDGE.

QUESTIONS . . .

THIS month we are trying a new plan. The following Questions, while answered elsewhere, are also answered in various articles contained in this issue and you will find it lots more fun to be on the lookout for the answers as you read your BRIDGE through "from cover to cover" as so many of our readers assure us is their custom. Here we go!

1—What is the name of the deepest lake on the Western Hemisphere and where is it located?

2—What is the estimated credit required or extended for consumer goods per annum in the United States?

3—What University on this Continent is doing the most outstanding work in the promotion of cooperative effort?

4—What is "Saving Bank Life Insurance"?

5—What important division of CUNA celebrated its first birthday on August 16th?

6—How many new credit unions in July?

7—What great English writer advocates internationalism?

8—Where and what is the Bonneville Dam?

9—What State has enacted a law for a central credit union bank?

10—How many members in the Founders' Club?

Credit Union Education

National Director Potter of the District of Columbia is performing a unique service which may have far reaching results. He is promoting a credit union course (which will count towards a degree) at Southeastern University in Washington. He issued recently this interesting prospectus of his plans.

MEMORANDUM

Suggested set up for credit union course at Southeastern University

1. That the course be set up as a cooperative project between Southeastern University, Credit Union Section, Farm Credit Administration, the District of Columbia Credit Union League and individual credit unions in the District of Columbia.

2. That the course consist of two semesters corresponding with those of the law and accountancy school at Southeastern. That for the first semester the book "CUNA EMERGES," be used as a text book, and for the second semester case book problems in credit union work be presented.

3. That volunteer teachers be secured from the credit union section and other places where available teachers are willing to cooperate.

4. That the Credit Union National Association be asked to cooperate to the extent of printing and furnishing certificates to those who complete the course as a recognition for their work by the National Association. Also necessary forms for class work.

5. That the Credit Union Section undertake to see that necessary credit union accounting manuals are furnished for the use of the students, and such other data as they may have available.

6. That Southeastern furnish the space, maintain records, and certify as to those who have done the work in a creditable manner entitling them to certificates.

7. That the District of Columbia Credit Union League undertake to actively promote the attendance of one student from each credit union in the District, selected by the Union as potential officer material.

Joke from the Palic FCU News

A dusky son of Alabama was busily engaged in a cootie hunt. When asked by a sergeant what he was doing, he replied: "I'se a-huntin' fo' dem 'rithmetic bugs."

"Why do you call them arithmetic bugs?"

"Cause dey add to ma misery, dey subtracts from ma pleasure, dey divides ma attention, and dey multiply like the dickens."

Bacon said that "money is like muck—not good except it be spread."

August, 1936



Pennsylvanians Meet

Giant Strides in Pennsylvania

FOR SOME years we had a Pennsylvania credit union law. It was made possible by much devoted effort on the part of a relatively few leaders in the state and particularly through the long sustained interest of H. A. Hanemann, at the time of the enactment of the law, an associate in the Department of Marketing of the State Department of Agriculture. Mr. Hanemann, after the law was enacted, was instrumental in organizing a credit union of state employees which became outstanding. There were difficulties with the Pennsylvania law as enacted, the primary trouble being the excessive cost of organization and, while Pennsylvania is potentially one of the largest credit union states, the credit union development came along very slowly until the Federal law was enacted. Meantime a State League had been organized but just as the state law was handicapped by too high costs of organization the State League was handicapped, in reverse English, by inadequate dues.

It cost too much to organize a credit union in Pennsylvania and the League dues were so small and the credit unions so few that it was impossible for the League to do much. Mr. Hanemann did the best anyone could do under the difficulties but it took the coming of the Federal law to give the credit union movement in the state the real boost that it needed. With Jimmy Dacus and Harry Culbreth working in the populous Pittsburgh area and Miss Connor doing an outstanding job as a Federal organizer in Philadelphia the credit union began to come into its own in the Key Stone State. Naturally these credit unions in great metropolitan areas began to get together in city chapters and the League was lost in the shuffle.

Suddenly we had over two hundred credit unions in the state, the potentialities of a great League, and yet we had but a small league and no money with

which to operate it. No fault attached to anyone for this condition. *The whole situation had changed so quickly that we were all unprepared for the change.*

Into this situation CUNA projected Tom Doig; to his assistance rallied the Federal organizers and to help Tom we assigned to the work also Miss Maxwell who had done such an outstanding job in New York. She also had organized many Pennsylvania credit unions. *When Tom and Dora and Jimmy and Julia unite their forces something is bound to happen.* Confession is good for the soul. This may be the point to note that the Editor of the BRIDGE (who, when not writing BRIDGE copy—this copy is being written in the early morning of August 15 after an all night session with other copy last night and who devotes his day shift to being Managing Director of CUNA) has not been as strong hitherto as the occasion demanded in the matter of State League dues. *Tom has always foreseen that there could be no worth while State Leagues unless credit unions were willing to adequately support both the Leagues and CUNA with adequate dues schedules.* We owe it to him that gradually this fact is being sold to all credit unions.

So this great quartette of credit union leaders, Tom and Dora, Jimmy and Julia, moved into Pennsylvania and the reorganization of the Pennsylvania League at Harrisburg on the evening of July 18th resulted.

This meeting was memorable in credit union history. To begin with it started at the Penn Harris Hotel at 6:30 P. M. and ended the next morning at 1:15 A. M. and everyone remained through it. Next it should be noted that without the fans going in the meeting room (and we had to turn them off when the speaking and the debates started) it was a consistent 90 degrees throughout the evening. At Mr. Hanemann's suggestion we very wisely took off our coats when we sat down to dinner and I recall looking over at Tom, when the debating was going strong, and noting that his shirt was as wet as though he had just come up to the meeting from a swim in the river with all his clothes on and without stop-

Dora Thought of Something!

The expression "Dora thought of something" is getting to be a sort of by-line at Raiffeisen House for Miss Maxwell (of Tom's Organization and Contact Department) is always reminding us of things which are of interest and importance and helping us not to overlook items of great importance to the BRIDGE which seem to get away from us otherwise. She notes in a recent letter that the largest master builder of bridges in the U. S. A. has also one of the veteran credit unions of New Jersey—at the Roebling's Sons Company at Trenton and that we might get a fine article about bridges from Mr. Sweeney or someone else in this credit union. This company built the Brooklyn Bridge. Dora promises to dig up for the article some interesting pictures showing the New York City sky line at the time the Brooklyn Bridge was built and now (including a picture of Steve Brody) some others showing what ladies wore in the good old days—hats—and bathing suits, etc.

Incidentally Dora gave us something to shoot at by organizing 120 credit unions during her five months with CUNA in 1935. In the September issue will be accounted another extraordinary service from this young lady.

We are going to send a marked copy of this item to Mr. Sweeney and another to Dora and we double dare 'em to get such an article for us. We run a bit too much to mid-western and to far western material due to the fact that folks out this way send us more articles, pictures, etc. We would welcome such an article as Miss Maxwell suggests.

ping to change. This was a typical condition of all present. *There were representatives present from all over the state.* There were red hot debates, not toned down a bit by the weather. We will keep for the next issue the number of credit unions represented and the new officers elected (because of space limitations in this issue) but *when it was all over we had a Pennsylvania League, with a representative membership, an adequate dues schedule and we were squared away to do things in what, I repeat, is one of the potentially great credit union states.*

This was one of the two great achievements of the summer and we are all very happy indeed to extend our heartfelt congratulations to every Pennsylvania credit unionist who made the meeting possible and to Tom and Dora, Jimmy and Julia—who put it across and proved once and for all that it takes more than a continued hot spell to stop the credit union movement in July.

HEALTH INSURANCE

by DR. CHARLES R. WILEY

Dr. Charles R. Wiley has been in the private practice in Chicago for more than twenty years. He was president of one of the large local hospitals and consultant in others.

Since 1930 he has been interested in medical economics and has pioneered in successful medical efforts to make low cost medical care available to the people.

This is our third article on group medicine. We are now looking for some one to write authoritatively on the other side of this problem and we hope to have such an article in an early issue.

NO PROGRAM of social betterment can be complete unless it includes some provision for medical care. From the platform, over the radio, in publications, and daily newspapers, articles are being published that seem to indicate that the mass of the people of this country have little or no medical care.

Since the report of the Committee on the Cost of Medical Care, there is an increasing demand for some system that will provide those people of moderate means with as good medical care as is provided under our present system for the very rich and for the very poor through philanthropy, charity, and tax-supported organizations. It seems as though those people who fall below certain income levels will have to be taken care of through state or Federal legislation. It also looks as though those people in the middle brackets of income will have to have made available to them some form of voluntary health insurance for which they may pay.

Most of the families have no medical bills each year. A few of the families have all the medical bills. Under a form of voluntary health insurance, those who are not ill will pay for those who are to be ill the coming year. This seems to be such a simple, and such a rational procedure the miracle is that it has not been done throughout the country.

During the five years or more that it has been discussed, the medical profession is about divided as to its value. The leadership of the organized profession is united in its opposition to this form of practice. It seems therefore that the real reason why it has not been done is that every doctor or group of doctors who suggest going forward with such a plan are discouraged. Not only is he discouraged by arguments against this method of practice but he is warned that if he goes forward, he will be penalized by whatever methods are possible.

Here and there throughout the United States are successful efforts in voluntary insurance but, on the whole, they represent only a very small minority of the population. In Los Angeles, California,



is an effort that has been in successful existence for some seven years along this line. The Doctors Ross and Loos have done a splendid job in providing health insurance for more than twenty thousand subscribers. However, it is only a short time ago when they were penalized by expulsion from the local medical society because the leaders of these societies do not like this type of effort.

The judiciary committee of the American Medical Association has just held that they did not have a fair trial. The fact remains, however, that they were put to trouble, worry, and expense as a result of the action of the local society while the appeal was pending.

The supervision established over hospitals by the American Medical Association makes it important that the doctor belong to the Association if he is to send patients to approved hospitals.

And so it is that in the main these efforts have been discouraged wherever attempted. It is perfectly apparent that any contract entered into for voluntary health services by groups, must be made with well-trained and conscientious physicians. It is likewise apparent that well-trained physicians hesitate to embark on a method of practice that may jeopardize them, professionally.

In Illinois, voluntary health insurance has gone beyond the discussion stage.

The Civic Medical Center of Chicago is made up of a large number of progressive medical men. Since 1933 they have practiced medicine as a group. Practically all of them were teachers in their profession in local medical schools, and are specialists trained in the various branches of medicine and surgery. Their record shows that more than sixty thousand people in the Chicago area received

medical care through their hands and at a reasonable cost. Their financial background and stability are such as to assure the success of any plan. This group of doctors, as far back as 1930 had realized the inequality that exists in the distribution of proper medical care. They had set up an organization in 1933 to provide proper medical care at low cost and at fixed fees to the people of the city of Chicago.

Almost immediately they were faced with resignation from their teaching and hospital appointments, and economic pressure was brought on them to discontinue this method of practice. They persisted in their ideas because they believed in them and they have gone forward for over three years with this method of practice.

It was repeatedly emphasized that in many instances there was a close relationship existing between a beloved family physician and the individual patient. Repeatedly the American Medical Association has emphasized THAT relationship, and pointed to the fact that it should remain unchanged.

The family that has a well-trained and conscientious family doctor is indeed fortunate. That well-trained doctor will be the first to admit that the progress made by medicine since the turn of the century has made it impossible for one physician, however energetic, to master all the developments that have been made in the various branches of medicine and surgery. That conscientious physician will acknowledge that no man can live long enough to give the public all the protection available through the progress of medicine.

That family doctor knows full well the value of early diagnosis through the use of the laboratory, X-Ray and the specialist. That kind of a doctor knows the niceties of treatment in the specialties often call for a dexterity beyond his experience. That physician acknowledges to himself that if he is to give to his patients the kind of medical care that he would have for his own family, he must make full use of these developments and accept no responsibility beyond his limitations.

He knows that the specialist gradually increases his fees so that his services are available to fewer people, and that the discoveries of medicine that aid in diagnosis and treatment are usually made less available because of prohibitive cost.

Most thinking people believe that the American people want to pay their way. Just as they pay for food, clothing, and shelter, so do they want to pay for medical care. The only reason this is not paid for is because of the artificial economic barriers that have been created around adequate medical care.

The members and the officers of the Credit Unions have it in their hands to endorse the far-sighted efforts of the officers and the Medical Care Committee by taking advantage of a system of medical care that will serve everyone, poor and rich, with equality.

Why Is Business Strong for Credit Unions?

Amazing success in providing safe outlets for savings and relieving workers of debt worries is record of many credit unions operated by office, factory and field employees of many well-known corporations.

by JOHN M. GARTH



(Reprinted from *American Business*, June, 1936.)

THIRTY-FIVE employees of the Timken-Detroit Axle Company met on June 19, 1935, to receive the charter, and to elect directors of a credit union. Seven members had signed the application for the charter. In July, 1935, the Timken-Detroit Employees' Federal Credit Union had 162 members, \$187.04 cash in the bank, \$275 in loans outstanding.

In April, 1936, there were 750 members, \$1,757.24 cash in bank, \$38,078 total loans made, and \$19,554.95 in loans outstanding. During this brief period there were 545 loans made, and undivided profits of \$315.42. Bad loans had totaled \$8.83, although the reserve for bad loans totaled \$270.

During the first month of operation the average savings were \$2.92, and by the end of February, 1936, eight months later, average savings were \$29.25. Many of these people who had a balance on their accounts had begun, for the first time in their lives, to save money regularly and systematically.

Employees of the Elgin Watch Company organized a credit union March 20, 1931, with 15 members. On April 30, 1936, there were 1,406 members, out of a total of 3,200 on the Elgin payroll. In 1931 there were 120 members, 54 borrowers who borrowed a total of \$1,985. In 1935 there were 1,172 members, 774 borrowers, and loans of \$83,113. Assets had grown from \$1,129 in 1931 to \$61,199 in 1935.

During 1931, 1932, 1933 there was not a penny of loss in the Elgin Credit Union. In 1934 losses were .096 of 1 per cent, and in 1935 the loss was .0237 of 1 per cent.

Employees of the American Steel and Wire Company of Cleveland established a credit union in April, 1935. Today it has assets of \$46,320 with a total membership of 1,260 out of 2,137 employees in the plant.

In February, 1931, employees of John Morrell and Company, well-known pork and beef packers of Ottumwa, Iowa, organized a credit union, with 100 charter members. There are now 1,103 members, with almost no losses to date.

The credit union of the employees of the Monroe Calculating Machine Company was established in January 1929, with about ten members. It has grown to 615 members, with losses of .34 of 1 per cent.

G. H. Sayler, president of the Parker Club, which operates the Vacuumatic Credit union among employees of the Parker Pen Company, Janesville, Wisconsin, writes:

"Our Vacuumatic Credit Union was established in March 1934 and was organized under Chapter 186 of the Statutes of Wisconsin for 1935. It is evident that the credit union idea is appreciated by employees when membership increases from 17 incorporators to 322 active members in two years. The credit union has assets totaling \$9,000, of which \$8,500 is in loans. There have been no losses."

R. W. Peters, of the Standard Oil Company of New Jersey personnel division, tells of his observation of credit unions: "Our first credit union was organized by employees in our Everett, Massachusetts, refinery in September, 1933, and was, we believe, the first unit in the oil industry. The next year 5 others were organized and by December, 1935, there were 27 units in existence in our company with a total membership of approximately 7,500. As a rule each organization started with a membership of some 20 employees. At the present time credit unions at some of our major plants show a membership of over 1,500.

"Shares are \$5.00 each, subscribed for at 25 cents per share each pay day. If an employee purchases two shares he deposits 50 cents on pay day and so on, or he may purchase his shares outright. Each employee also pays 25 cents for his account book.

"Without exception these credit unions were initiated by and continue to be run by the employees themselves. At the end of their first year of operation those which had been organized a sufficient length of time declared dividends of varying amounts, depending on the proportion between deposits and loans, the average being 5 per cent. Deposits by employee members as of December, 1935, amounted to more than \$150,000, but by repayment of many loans before maturity and relending of the money, the quarter of a million total was reached.

"While we do not have figures available showing percentages of losses, they are almost negligible. One unit handling \$30,000 on loans has only experienced one loss and that for \$35."

Another company to report an extremely gratifying experience with credit unions is

the Seaman Body Corporation, manufacturers of bodies for Nash automobiles. Incorporated in August, 1927, this credit union has yet to charge off any losses. F. H. Vogt, treasurer of the union reports: "As of April 30, 1936, our membership totaled 1,394. Losses are nil; we have yet to charge any losses to our guarantee fund. Our present loan account delinquencies are a small fraction of 1 per cent and these accounts are held open until borrowers return to work. In case of any account hopelessly in default, where no contact can be made, cosigners, if any, would be called upon to meet the balance of the obligation. This has never, as yet, been resorted to.

"Our experience has taught us that our employee members are very appreciative of the fact that the credit union is a medium through which they can be helped. Since incorporation we have made 2,600 loans for a total of \$165,367 of which a balance of 606 accounts are outstanding for a total of \$42,439.01."

It seems apparent that workers appreciate the opportunity to borrow for provident purposes and that loans made to employed people, under the safeguards exercised by the credit unions are extremely safe risks; experience of many companies which have inaugurated credit unions and then turned them over to the employees to run indicates that they serve an excellent purpose, that the privileges are not abused and that thrift and provident habits among employees are encouraged.

I. R. Wagar, treasurer of the credit union operated by employees of E. J. Braeh and Sons, large candy manufacturers of Chicago, reports that his union had no losses between 1927 and 1935. In 1935 there was a small loss—one-tenth of 1 per cent. He says, "We feel that the credit union performs a real service for our employees, which is demonstrated by the fact that they began with \$100 capital and assets now total more than \$28,000."

These few examples showing how credit unions grow are gleaned from a number of interesting reports received in the course of an investigation made by editors of the Darnell publications in response to queries received from readers asking about establishment of various employee activities. In the report published in the May issue it was shown that a large number of companies have sponsored or encouraged

(Continued on page 30, column 2)

Low Cost LIFE INSURANCE

by EDWARD L. SHANNEY

In 1907 Massachusetts enacted a unique law which recognizes that life insurance is so essential that it should be provided at net cost to the insured. A law, written by Louis Brandeis, then a practicing lawyer in Boston and now a Justice of the Supreme Court of the United States, was enacted making low cost life insurance possible under the direction of our Massachusetts mutual savings banks. It will be recalled that in a recent issue Paul Viets told of the experience of the Plymouth Cordage Credit Union with this insurance; this article, by Edward L. Shanney, President of the largest credit union in the United States and Massachusetts National Director of CUNA, goes into detail as to the operation of the plan in his own credit union. Next month we shall have a continuation of Mr. Shanney's article, with actual illustrations of how his credit union members are using the plan. It must be noted that the operations of this law are limited to Massachusetts.—EDITOR.



Ed Shanney

AS A VERY young man my first job was with a Branch Office of one of the largest life insurance companies in this country. Prior to obtaining this position, I had previously held the selling of insurance as a sort of mediocre job, the agent not making much of a livelihood but willing to go along until he got a more lucrative

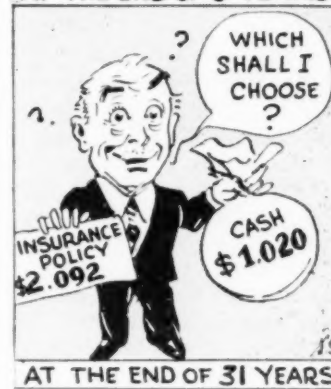
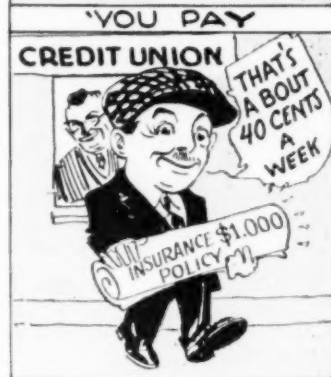
position. At the same time I wondered how the insurance company could afford to pay him anything and yet pay their losses.

Little thought, if any, in prior years was given to such matters by the prospective insurance customer because I believe the most vital thought in mind was to see that ample protection was given to his dependents in case of death or in providing an accumulation of money for his declining years.

Like the prospective customer, I was greatly deceived and in fact astounded at the earnings a reasonably good agent (now termed an underwriter), could earn and not until the Armstrong investigation in New York was there a substantial reduction in commissions to agents. These commissions still represent a very substantial part of the high cost of insurance.

In a certain state for the year 1935, new premium income for ordinary life insurance written by eleven companies was \$41,867,828.00, and these same companies in the same year paid commissions to agents and general agents amounting to \$19,689,578.00, equal to 47.03% of new premium income. In conjunction with this item of expense one could not overlook from casual observation of reports and records the high operating costs exclusive of commissions.

It was not until 1907, after exhaustive studies and largely through the efforts of Mr. Louis D. Brandeis, now Justice of the Supreme Court of the United States, that the State of Massachusetts



• This cut illustrates how Savings Banks Life Insurance may be described to prospective purchasers with pictures which make its value obvious. This cut was made for a Massachusetts credit union some years ago and the rates have not been checked recently and may have been changed during the depression years. The cut illustrates, however, a new way of approaching the matter of selling life insurance.

enacted into law the Savings Bank Life Insurance System which provides a low cost life insurance. This system has all the safeguards of legal reserves requirements and in addition there is also required to be set aside a surplus out of profit which is not legally required of other insurance companies but each of them have a surplus. Investments are likewise restricted to those legal for Savings Banks in the State. This reserve measures the insurance liability of an insurance company while the surplus is a measure of its added margin of strength or safety.

Life Insurance policies and annuity contract may be written by the savings banks only on forms prepared and furnished by the State Actuary, and no policy of life insurance may be written by a bank unless and until the application has been approved by the State Medical Director. It has been suggested that the wisdom of this arrangement be considered by the commercial companies as it makes for the safety and welfare of the banks as well as the policyholders. It further provides for numerous and important questions of business policy to be determined by officers who are free from any control by either the policyholder or the insuring banks.

The funds of the Savings Bank Life Insurance System are entirely separate from the funds of the banking institution and the supervision of the system is by the Commissioner of Insurance and the Commissioner of Banks. The work of the Medical Examiners is supervised by the State Medical Director.

Actuarial work is performed by the State Actuary for all of the Banks.

The writing of insurance is done over the counter at various Savings Banks acting as agents and by the insured Savings Banks in addition to agencies established in Credit Unions.

It is estimated at a result of this system that a saving has been created of at least 25% on premium costs over the old line companies ordinary rates and at least 50% as compared, with Industrial insurance rates, a large percentage of which is written on the lives of children and from which tremendous profit is received due to lapses and conditions of this type of insurance policy. The comparative conditions of the Savings Bank Life Insurance policy are far more liberal notwithstanding the lower costs, such as: Cash Surrender Value after six months against two to three years in Commercial Companies and five years in Industrial Departments of the various Commercial Companies. Until January 1, 1936, two of the largest Industrial Companies gave cash value only after ten years. A Massachusetts law required the change but it was not made to apply to policies already outstanding; loan values after one year against two years in Commercial Companies and no loan at any time in Industrial Insurance; a greater period of extended insurance than given by the Commercial Companies.

It is no wonder that our people have subscribed to this insurance and closing the year 1935 there was a total of \$109,645,965 of insurance policies in force with a premium collection for the year amounting to \$4,300,823.47 (By March 31st, 1936, the insurance in force had increased by more than sixteen million.)

In our Credit Union there has been a total amount of \$135,250.00 worth of insurance written with a total premium collection of \$2,599.33 and an approximate annual saving of \$554.64 over the rates for the same type of insurance in Commercial Companies.

International News Review

by J. FRANK BEAMAN

WHAT started out to be just another politically-seasoned, unsavory Spanish stew boiled in the last two weeks of July's heat into the possibilities of the long brewing European war.

In Paris and London and other capitals the diplomats were going through the motions, at the end of July, of trying to preserve peace with one hand while seeking new alliances and speeding rearmament programs with the other.

Back of the ominous situation was one of the strange concoctions of international politics, touched with a bit of modern tobasco sauce. It is a spicy situation in which the conservatives for one of the few times in recent history find themselves in the strange role of the rebels and the loyalists are the radicals and communists. But more than that it is a major civil war between Socialists and Fascists.

The old monarchist faction, of a dead era, brought about the uprising in Spain to overthrow the present government of Leftists. Behind the rebels is the plan of restoring the Spanish throne in the streamlined form of a fascist government.

The immediate cause, if any one thing in this politically fed country may have been responsible for the outbreak, probably was the assassination on July 13 of Jose Calvo Sotelo, a leader of the Rights. But even before that there had been 234 persons slain and more than a thousand wounded in political fights since February.

Sotelo is generally considered to have been killed by one of the assault guards, a branch of the government, after a member of the guard had been slain the previous night.

Four days later the Civil War began and was still raging, with the immediate outcome and the international ramifications still in doubt at the month's end.

But that it is a major Civil War there is no doubt. The rebels comprise about half of the army, joined by peasants and small shop keepers. The Government is supported by the navy, civil guard, air force, and some peasants. The Government's losses in the first ten days were placed at 19,000 men and the rebel losses are believed to be about the same.

It is a Civil War in which not only well trained armies oppose each other, sweeping over the hilly country, burning churches, terrorizing citizens and laying waste towns but airplanes bombard cities in advance of the soldiery and do expert scouting service. Modern tanks roll over the fields and vineyards, spitting machine gun fire. Warships blockade ports and hurl giant shells into seaport towns and villages.

That is Spain today.

Tomorrow it probably will be another dictatorship, regardless of which side is

victorious. And for the morrows to come there will be more political rebellions and murders and intrigues.

But because Spain's revolutions have gone modern, and because Europe has gone fascist and socialist, it is a different Civil War, today, from a world standpoint, than the ones which have gone before.

The Socialist Government needs help to prevent the fascists from victory. They need munitions and airplanes. And the new Leftist Government of France not only would like to aid its Socialist brethren of Spain but has its North African Empire to think about.

Germany with its fear of the Communists and Italy with its devotion to fascism would like to give assistance to the rebels, thus strengthening their political positions in Europe.

And then there is Great Britain, which naturally must fear an upsetting of the balance of power and the possibilities that a Rightist Government in Spain would give a naval base to either Germany or Italy in the Mediterranean.

These were matters which were bothering world statesmen when, on July 30, six Italian aviators were forced down in their bombing planes in French Morocco. The bombing planes, it developed, were being flown to the fascists in Spain. The aviators finally admitted they had been hired by an Italian firm to make the deliveries. And they also admitted that 14 other Italian-made bombing planes for use against the Spanish loyalists had been landed in Spanish Morocco.

This is the stuff of which wars are made.

Immediately it brought from French sources charges that Italy had been sending armed support across France to the rebels, a double violation of international law.

It brought to the fore the question of what France would do. Premier Blum was slow to act. A report leaked out in some circles that Germany had put a gun to his head—had told him bluntly that if he moved to aid the Socialists in Spain with guns or men, Germany would immediately move into Alsace-Lorraine.

France, carefully picking her way across treacherous diplomatic ground, proposed an Anglo-French-Italian conference to settle complicated problems. With this meeting little enthusiastic response, a hands-off the Spanish situation was urged. Again there was little success.

But a gesture to the war-ridden Leftists of Spain was made when the French Government announced there were no bars to citizen nationals crossing to Spain and joining the defenders.

Meantime the warships of five nations were in Spanish waters. There were for-

ty of these modern fighting machines along the coast. The expressed purpose was to rescue nationals. But the fact that Britain, France, Germany and Italy were the four represented besides the United States was significant.

And at the same time there was no secret being made of the fact that in every nation rearmament programs are being rushed. Great Britain will lay the keels for two new giant warships the minute the four power naval pact expires, officials have announced. The United States is expected to do likewise. Airplanes and munitions are being rushed through production lines in every country. England has launched on a definite campaign of credit expansion, partially to facilitate rearmament. Premier Blum of France has outlined a positive program of defense and fashioned an important part of his New Deal program to this end.

Russia, admitted arming furiously, has been so bold as to publicly warn its citizens and the world that war is approaching rapidly. Communist newspapers have just devoted thousands of words to the subject and especially to an alleged German-Japanese alliance. In addition these Government-controlled newspapers have added Italy and Poland as out and out enemies, preparing for conflict.

"Italy, Germany and Japan have turned against England, and in panic and in the most unworthy confusion the whole foreign policy of this traditionally cool and conservative nation is confused," Pravda said.

This is what the world capitals were thinking and talking on July 28—the 22nd anniversary of the outbreak of the World War, the conflagration which spread from the firing of a single pistol in obscure Sarajevo to envelop in its flames the greatest nations of the world.

A Fine Record for Ohio Federals

"All of the credit union people of the state will be glad to know of the fine record of service which the eighty-five federal credit unions are making in Ohio. This number speaks well for the zeal and devotion of C. E. Oldham and Claude V. Luce, federal investigators, who have organized them. These credit unions are serving industrial groups, postal employees, teachers and members of church parishes throughout the state.

"The statistical report of thirty-eight of these credit unions as of March 31st, 1936, is as follows:

Number of members	6,418
Number of loans since organization	3,030
Total amount of such loans	\$168,598
Amount of loans in force Mar. 31	91,298
Amount paid in on shares	109,986
Total assets Mar. 31, 1936	113,083"

"A Credit Union to be a success must supply SERVICE, IMPROVED SERVICE and CONTINUED SERVICE." Bulletin No. 21 of the C. & N. W. Ry. Credit Union Advisory Committee.

Joke of the Month

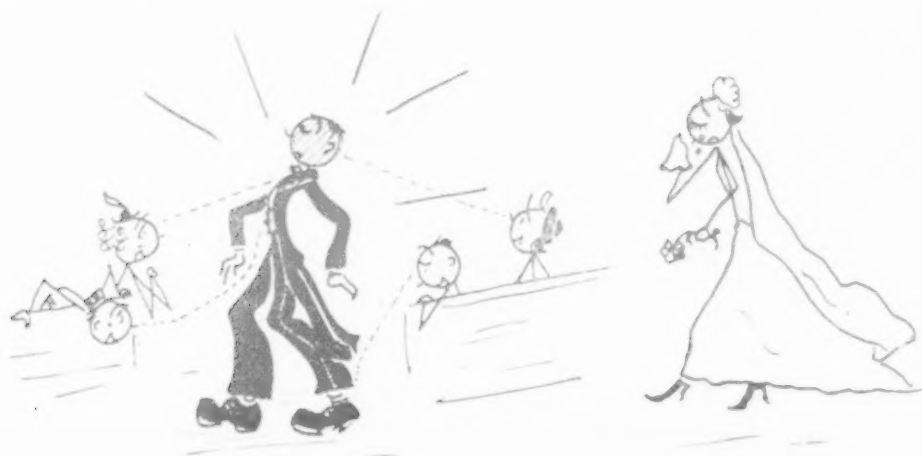
DID it ever occur to you that in the usual news of a wedding, a man gets about as much attention as a delegate from a fourth class principality at a conference of Nations. Herein we change it.

Mr. Phil Burt son of Mr. and Mrs. Brazil Nut of Balfor and Clun City became the bridegroom of Miss Equalle Rights at Noon today. The ceremony took place at the home of the groom's parents and was largely attended.

Mr. Nut was attended by Mr. Pate as Groomsman. As the groom approached the altar he was the cynosure of all eyes. Blushing prettily he replied to the question of the clergyman in low but firm tones. He was charmingly clad in a three-piece suit consisting of coat, vest and pants. The coat of som dark material was draped prettily about the shoulders and tastefully gathered under the arms. A pretty story was current among the guests that the coat was the same one worn by his father and grandfather on their wedding day. Mr. Nutt would neither affirm nor deny the truth of this sentimental touch. The vest was sleeveless and met in the front. It was gracefully fashioned with pockets and at the back was held together by a strap and buckle of self material. Conspicuous on the front of the vest was the groom's favorite piece of jewelry, an Odd Fellows Pin, and from the upper pocket was suspended a large Ingersoll Watch, the bride's gift to the groom, which flashed and gave the needed touch of brilliance to a costume in perfect taste and harmony.

The Groom's pants were of some dark material and were suspended from the waist falling in a straight line almost to the floor. The severe simplicity of the garment was relieved by the right pantallet which was caught up about four inches from the floor by a Boston Brighton worn underneath, revealing just the artistic glimpse of brown holeproof above the genuine leather, laced with strings of the same color. The effect was rather CHIC.

Beneath the vest the groom wore blue galluses attached fore and aft to the pants and passing in a graceful curve over each



How We Stand as Regards SUBSCRIPTIONS!

WE HAVE (August 15) 18,091 paid subscriptions. We have been at it six months. We started from scratch. We have no personnel. We are trying to build a magazine for the credit union people of the United States. The work is done as an overtime job by the Managing Director of CUNA. *The response to date has been magnificent and every subscriber has our heartfelt thanks.* We have thousands of letters indicating enthusiastic approval of the first issues. We have shown what can be done. It costs a bit more than \$1200 an issue to print and distribute, or \$14,000 per year. Obviously with 28,000 subscriptions at fifty cents each we will break even. With 50,000 subscriptions we will have some money with which to buy writing and to employ the modest personnel which will soon become imperatively necessary. We reach now less than 2% of the credit union members in the United States. If every credit union would give us now (when the need is so very great) as many subscribers as would be forthcoming if someone in your credit union will do the solicitation—we would have the BRIDGE out of danger. Please help us and make use now—today—this week—of the following subscription blank. If you do not want to detach it from this copy—send the subscriptions on a separate sheet—and we thank you most sincerely for making the BRIDGE.

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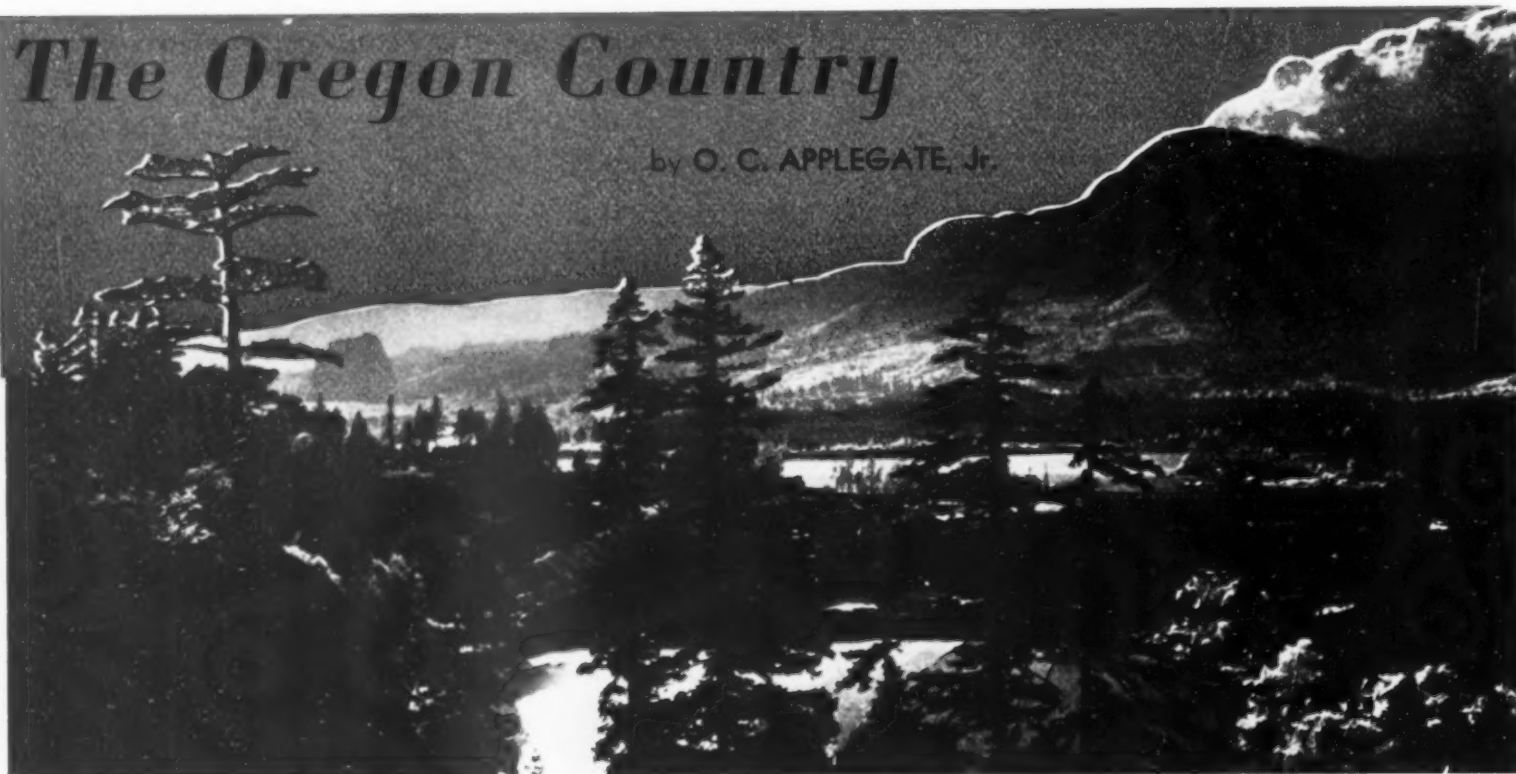
shoulder. His neck was encircled with a collar characterized by a delicate saw-edge and around the collar a cravat was loosely knotted so that it rode up under his left ear with a studied effect of carelessness which marks supreme artistry in dress. Mr. Pate's costume was essentially like the groom's and as the two stood at the altar a hush of awed admiration enveloped the audience. Neither Mr. Nut nor Mr. Pate wore a hat.

As Miss Rights led the groom from the Nuptials, it was noted she wore the conventional veil and orange blossoms.

This one surely wins the five bucks for August.

The Oregon Country

by O. C. APPLEGATE, Jr.



NWARD to Oregon—the green land far away” was the cry of the pioneers of ninety years ago as their oxtteams toiled across trackless prairies, and over rugged desert mountains in their journey toward the setting sun. The present state of Oregon comprises a portion of that vast almost unknown area toward which the early pioneers struggled and labored years ago.

The Oregon country at the beginning of the nineteenth century was a land little known to the people of the United States. At that time it included not only

the present states of Oregon, Washington, and Idaho, but portions of Montana and British Columbia. Very little was known other than that there existed a vast unexplored country drained by a tremendous river and inhabited by unknown savages. William Cullen Bryant referred to it in his poem, “Thanatopsis,” in the lines, “Or lose thyself in the continuous woods where rolls the Oregon and hears no sound save his own dashings.” The Oregon referred to, of course, was the great river we now know by the name “Columbia.”

Upon the purchase of the Louisiana territory from the French, attention was focused on the Oregon country, and President Jefferson, in 1804, appointed his secretary, Meriwether Lewis, to command an exploring expedition from the

United States to the Pacific Ocean through this country. Reaching the waters of the Pacific in 1805 after enduring untold hardships and many harrowing experiences, Lewis and his associate, William Clark, brought back the first authentic account of the Oregon country and its inhabitants.

John Jacob Astor in 1811 sent an expedition by sea and established a trading post near the mouth of the Columbia River, which was captured by the British in the war of 1812. Following this the people of the United States heard little of the Oregon country as it was visited only by fur traders of the Hudson Bay Company, a British concern, and a few independent Americans engaged in the fur business but not given to recording current or historical events to any great



The Oregon Trail Follows the Coast

One of the primary objectives of the BRIDGE is to get our eleven hundred thousand credit union members thinking nationally. This is a very great country and it is *our* country and we hope in the BRIDGE to tarry a bit here and tarry a bit there until we all get acquainted. In Oregon we have some fine credit unions and, while the development has come along slowly, in recent months new charters have been adding to the credit union family and assuring the future of the Oregon Credit Union League. We were most happy therefore to get this article (through the kind intervention of our good friend F. J. Waymire) from O. C. Applegate, Jr. Mr. Applegate is the grandson of the pioneer who built boats near the present site of Walla Walla to continue the journey to Oregon down the Willamette Valley as described in this story. He is a student of Oregon history and we have also some splendid pictures contributed by Ted Huggins, whose wizardry with the camera is doing so much to make the columns of the BRIDGE attractive.

extent. During this time the great Oregon country was disputed territory between the United States and Great Britain, and rivalry became keen between American and British fur traders.

In the year 1832 Capt. Bonneville, whose exploits were recorded by Washington Irving in his book, "The Adventures of Capt. Bonneville," brought the first wagons as far west as the edge of what was then the Oregon country—the Green River Valley, in western Wyoming. Capt. Bonneville, after whom the great dam now being built on the Columbia River was named, was an American army officer on leave, who entered into the fur business in this section for a time.

Religious denominations, particularly the Methodists, sent missionaries into the Oregon country and established missions in several remote localities. One of these missionaries, Marcus Whitman,

in 1837 was able to negotiate the route as far as the present site of Boise, Idaho, with a wagon—or what was left of it by the time he reached that point.

Early in the 1840's widespread interest began to be manifested in the "green land far away" and many of the Americans came to a realization of the fact that if the Oregon country were to become a part of the United States it would be necessary for Americans to establish settlements in that area. This aroused certain adventurous individuals located in and about the Valley of the Mississippi to organize the first wagon trains to attempt entrance into the Oregon country. The first large train, known as the "Great Emigration," left Missouri in the spring of 1843 with approximately 1000 people and 120 covered wagons. This emigration was successful in bringing its wagons and ox teams into the very heart of the Oregon country.

One faction of the party dismantled its wagons when it reached the Columbia River near the site of the present city of Walla Walla, Washington, and built boats with which it continued the journey to the Willamette Valley. It is generally conceded by historians that the "Great Emigration" of 1843 clinched the argument for the United States and saved this country from British control.

In the ensuing years many wagon trains followed and in 1846 England yielded claim to most of the country south of the 49th parallel.

Oregon continued to be the mecca of western immigration until the California gold rush of 1849 when the tide was turned to Oregon's southern neighbor.

Today that "green land far away" is the mecca for many travelers from all parts of the nation, and while modes of transportation are vastly different than they were in the days of the pioneers, the state has as much to offer in the way of scenic beauties as it had in their time. The modern stream-line train, the air-

plane, and the automobile whisk the traveler from any part of the nation to Oregon in only a few hours where pioneers labored many months.

Oregon's highway system is one of the best in the nation. The main highways are paved, well-graded and smooth and most of the secondary roads are kept in excellent condition. For the comfort of the traveler, Oregon provides many modern hotels, artistic tourist camps, resort lodges, and other stopping places.

The rivers and streams throughout the state still abound in gamey fish and the mighty Columbia is one of the greatest salmon fishing places in the world.

The main north and south highway, known as U. S. 99, enters Oregon from the south in the Siskiyou Mountains, thence follows down the Rogue River Valley through the many orchards, which have made this part of Oregon famous.

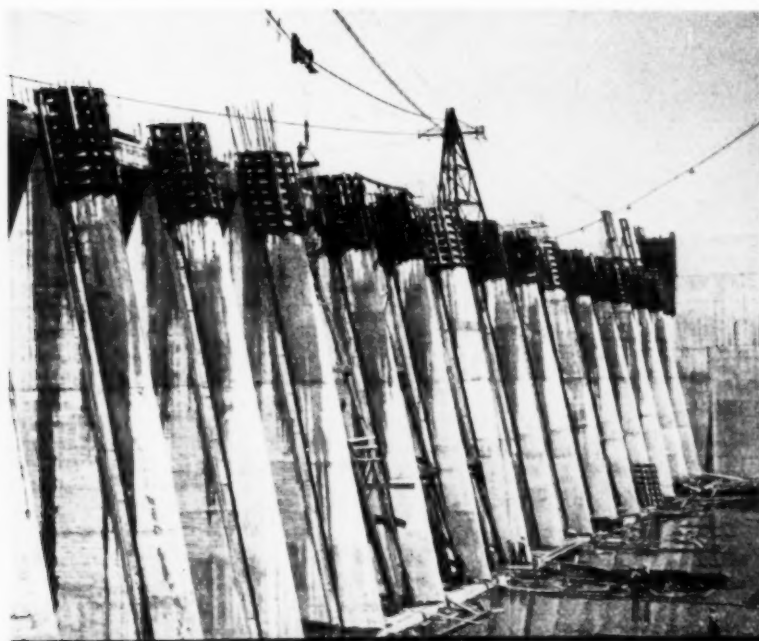
The newest route from California through the state and to the Columbia River, U. S. 101, traverses the ocean shore for the entire distance and offers to a traveler one of the most scenic routes that he can find in America today. This road has only been recently completed in its entirety and this year several large bridges have been opened, eliminating bothersome ferries along the way.

Of her east and west highways, Oregon's most famous is the one designated as U. S. 30 which follows the south bank of the Columbia River from historic Astoria near its mouth through Portland to Umatilla, where the route turns southeastward to cross the Blue Mountains toward Idaho.

Crater Lake, Oregon's most famous and one of the nation's greatest scenic wonders, is located atop the Cascade Range in southern Oregon and is easily accessible from either U. S. Highway 99 at Medford, or U. S. Highway 97 at Fort Klamath, by fine paved road.

During the activity in gold mining

(Continued on page 18, column 3)



Bonneville Dam



Crater Lake



It's raining in Port Hawkesbury! We got over on the ferry last evening, crossing the narrow straits of Canso at that point, and the weather didn't look too good even then—and this morning I'm on my way down the main street to find the store where I have been assured I can get a much needed slicker for my wife who left her rain coat back in the States.

Ambling down the main stem my path crosses a couple of local ladies on their way to market. To my surprise and delight they smile pleasantly and address me as we pass—"good morning—good morning!" I am wondering just where I met the ladies when a small boy pedals by on his ancient bicycle; the sun is now struggling through the mist and the rain is getting discouraged. "Good morning," he calls merrily to me from the street and, realizing that for some reason folks in Port Hawkesbury are cordial to strangers, I shout back a "good morning" and feel lots better for it! The sun is almost out now; it's getting to be a better world all the time. A man going to work speaks pleasantly—"good morning"—and, believe it or not, by the time I had reached the store the rain had stopped, the sun was riding high and handsome and I didn't need any slicker at all; the smiling natives, the cordial boys and girls and men and women—had turned the day of days into a very good morning indeed.

These folks are typical of Nova Scotia. They do not view with alarm the stranger within the gates; they do not seem to have any inhibitions against the visitor from some other land than their own. They are a naturally cordial people and their credit union movement is one of the finest cooperative manifestations now in progress in any country. That is not because of impressive statistics. Most of the credit unions in Nova Scotia are organized in villages and towns where the economic lot of the people has been and, in many cases, still is a hard one. Many of them are, of necessity, small. There are credit unions of miners—men who toil all week, away from the sun, taking all the risks of a dangerous trade and flocking to their credit unions of a Saturday afternoon to find it not only working to improve their economic lot but also supplying the social center of the town.

They are fishermen—who go down to the sea in ships from little villages, which hug tight to the rocks of what is often a storm lashed shore—villages which in the summer are so beautiful that one wonders why so many folks will go abroad before they have explored this most marvellous North American continent. And some of the credit unions are composed entirely of farmers and are giving the lie to the assumption which we encounter so often in the States that the farmer will not take normally to cooperative credit. There are two outstanding reasons for the credit union progress in Nova Scotia and there

is one possible difficulty with it which can be easily guarded against, the nature of which is clearly understood by the local leadership.

The credit union program originated within the Department of Extension of St. Francis Xavier University at Antigonish and in its inception and execution has had excellent leadership. While there are many individuals who have contributed to the program, the movement is being directed primarily by three men—Father M. M. Coady—who is the voice of cooperation in the Maritime Provinces, a voice which is now carrying an inspired message of cooperation not only to other parts of Canada but also to the United States. While Father Coady is the voice, A. B. MacDonald is the strong right arm. A tireless organizer, a real leader of his people, one of the most popular men in Nova Scotia, Mr. MacDonald translates cooperation into action and does it most effectively. Coady and MacDonald—MacDonald and Coady—the two of them—are giving the leadership needed to remake a Province.

And along side has been Father Tompkins who did so much of the pioneering work in Nova Scotia and has contributed a powerful third to the great triumvirate of credit union leadership in the Maritimes.

The second great outstanding contribution to the success of this effort is to be found in a true conception of the place of education in the cooperative set up. The leaders have put education first. They have developed a system of study clubs, preceding credit union organization with study so effective that the average rank and file membership of the Nova Scotia credit unions are probably the best informed, both as to the ethical and practical bases of successful credit union operation, of any group of credit unions in the world.

Leadership—and Education—the two have gone forward hand in hand to make the credit union development outstanding in Nova Scotia.

The minor difficulty confronting the movement is some inclination on the part of outside folks interested in a better economic system to over publicize the Nova Scotia movement. A magnificent beginning has been made but it is only a beginning; too much must not be expected of it by well intentioned folks who are inclined to look for miracles in a very practical world where the only miracles come from the sort of hard labor which is going into the Nova Scotia movement. This is a minor difficulty and the Nova Scotia leadership is conscious that it exists and will guard against it.

Near the old office of the Credit Union National Extension Bureau in Boston is the famous Boston Common and the lovely little pond where the famous fleet of swan boats ply their busy courses of a nice summer afternoon. One may also hire a row boat to make the little journey around the limited confines of the pond and it is truly a fact that of a Saturday afternoon the best

customers of the row boats are sailors, who are having shore leave from the ships which are always coming and going from the Charleston Navy Yard. And they are not particularly good rowers!

So it seems to be human nature for credit union folks to spend their holidays attending credit union meetings. That's why the boss and I went to Nova Scotia for the Port Hawkesbury meeting.

The course of our journey may be followed on the page of pictures which pretty much tell the whole tale of our

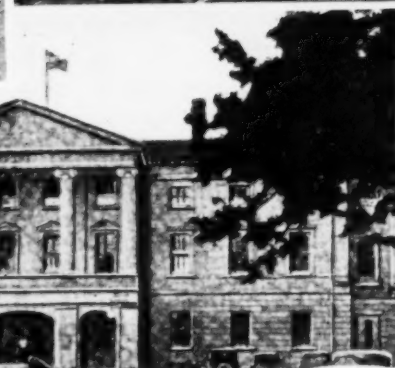
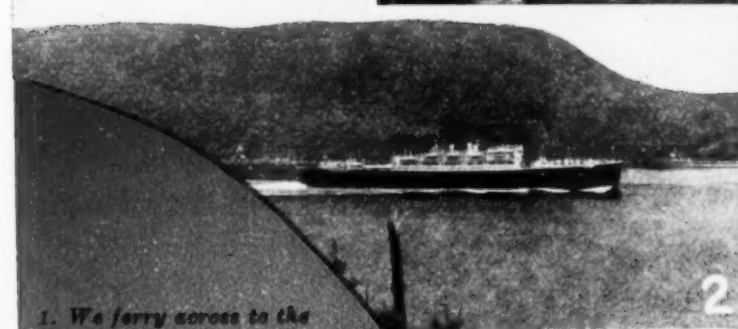
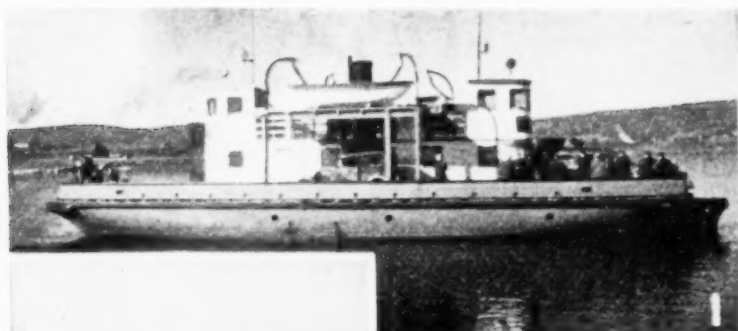


wanderings. We went by boat from Boston to Yarmouth—at the tip end of the Province; then we took the first Pullman that Mr. Pullman ever made (where the Pullman conductor also doubled in brass at lunch time and helped the one dining room attendant with his chores by waiting on table) an all day ride to Truro—for our destination was Antigonish at the doorway of Cape Breton. We passed through the beautiful Evangeline country and were so fortunate as to get a lovely little picture of the memorial church to Longfellow's immortal heroine, A. B. (that's Mr. Mac-

(Continued on page 18, column 1)

T H E B R I D G E

August, 1936



1. We ferry across to the meeting.

2. In the Straits of Canso.

3. Kay Thompson.

4. Wild flowers abound.

5. Charlottetown is the Capital.

6. President MacIntyre presided.

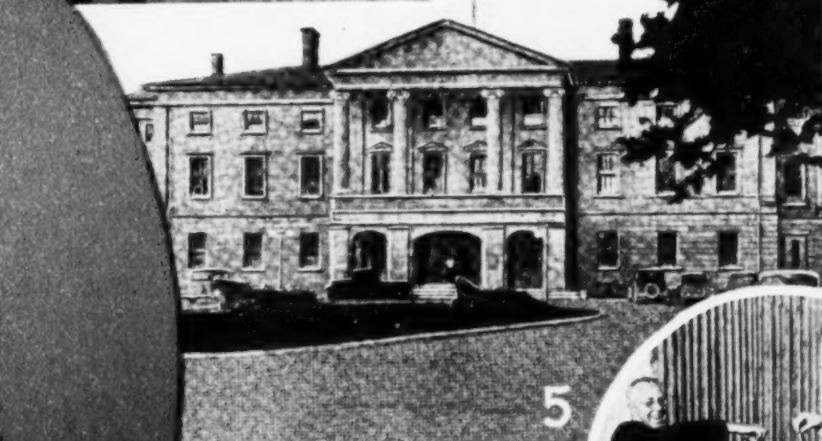
7. We compare lobsters.

8. It was a well-attended convention.

9. The little church of Evangeline.

10. Gloucester never licked the Bluenose.

11. The Nova Scotia dynamo — Father Coady (left) and "A. B."



The Tractor Department



WE CALL the Organization and Contact Department the "Tractor Department." It does the heavy hauling and is gradually getting expanded to the point where it is becoming of great importance.

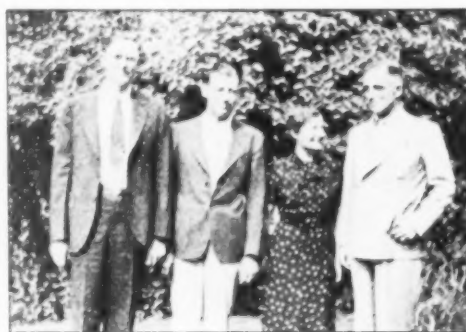
Tom Doig, who is also Assistant Managing Director of CUNA, heads this all important department. It is more important than insurance or BRIDGE or bonding or supplies or anything else we do. Why? Because it supplies the bread and butter, the meat and vegetables, the furniture and the houses of the credit union movement. The rest of us supply all the trimmings—the cake and the ice cream and the many things which add to the justification of the National Association. If, however, you will look at the Constitution of CUNA you will find its first purpose set forth in Article II—(1) "to facilitate and promote the credit union movement within the United States" and in the national By-laws it is set forth in Article I—Section I (b) that it is our job to maintain high standards by contact and supervision and (c) to promote the organization of credit unions under both State and Federal laws and (g) to encourage the organization of city and district organizations and to organize and assist State Leagues. All else comes second.

Our Contact and Organization department projects CUNA into its greatest job—to organize credit unions, leagues and chapters. It has to do with keeping CUNA lined up definitely and without reservation in the big job of carrying the credit union movement forward in the United States. It has taken on also the matter of supervising and stimulating where necessary the establishment of adequate dues schedules (state and national) and collecting dues. It has to do in the largest possible way with the establishment of better and better operating standards and the conscientious observance of those standards.

We are happy to have this picture of the department. To the right of the picture is Tom Doig, head of the department, its able and conscientious director. Next right is the champion woman credit union organizer (if not of the male sex as well) Miss Dora Maxwell, who has the Department of the Northeast and organized 120 credit unions in five months last year. To the right of Miss Maxwell is Ralph Christie, added recently because of his experience in the organization and operation of credit union chapters. Playing left end is Hubert Rhodes who, on September 1st, takes charge of the all important southern area—carrying more effective contact to the many loyal credit unions which spread from West Virginia to Florida and west to Arkansas. For years the Managing Director of the North Carolina Credit Union League, Mr. Rhodes is also a trained organizer.

He is particularly well oriented to the work in the south and we confidently expect great things of him.

The Contact and Organization department also includes really as coordinating members the state league managing directors and other organizers with whom this department works in close cooperation as it does with the Credit Union Section of the Farm Credit Administration—men like Charley Hyland in Wisconsin, Karl Little in Utah, Cliff Skorstad in Minnesota, Ben Hillebrandt in Missouri, John Moore in California, Carl Guenther in Michigan, Louise McCarren in Ohio, the many able Federal organ-



izers and many others who are carrying on locally in various parts of the United States.

The fact that we have 36 State Leagues with six in process of organization and over 125 chapters and over 5000 credit unions and that we are reaching with our membership over a million people—all of this is tribute to the sort of contact and organization work which has been going on. The very fact that CUNA is operating is a tribute to Tom Doig and his department.

ANSWERS . . .

(See elsewhere for the questions)

1—Crater Lake in Oregon (see the article about Oregon by Mr. Applegate).

2—\$7,000,000,000 (seven billion dollars). (See Senator Ingram's article.)

3—St. Francis Xavier University through the Department of Extension. (see the article "Good Morning").

4—Savings Bank Life Insurance is a form of insurance at net cost issued by the Mutual Savings Bank of Massachusetts which adhere to the plan. (see Mr. Shanney's article).

5—The Cuna Mutual Society (writing borrowers protection insurance) completed its first year August 16 (see the article entitled "The Cuna Mutual Celebrates a Birthday").

6—There were 102 reported in at Raiffeisen House.

7—H. G. Wells.

8—The Bonneville Dam is in Oregon. It is described in Mr. Applegate's article.

9—Wisconsin. The bank is now being organized.

10—The high number is now 298 (see the Founder's Club Section).

THE CONTEST

\$2500 in Prizes!

Shortly every credit union will get notice of a month's organization contest, to take place in October, with \$2500 in prizes divided into two classes—substantial prizes for those who organize the most new credit unions in a month, this contest limited to those who are not now employed in credit union organization work. The second contest, also with very substantial prizes, is for those State Leagues in the States in which the best showing is made. If interested to enter—write us at Raiffeisen House, Madison Wisconsin and ask your Treasurer for the terms of the contest which we shall shortly send him for posting etc.

\$2500 in Prizes. Watch For It!

THE CONTEST

ONE SEEING

IS WORTH

A HUNDRED

TELLINGS

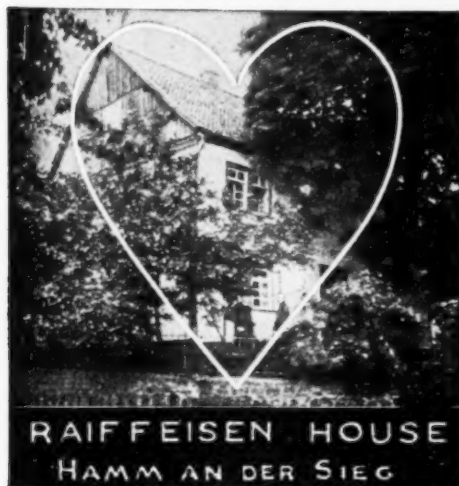
So the Chinese teacher wrote over two thousand years ago.

Because it is equally true today, we will not try to describe the Red Hemp Rope Fibre, nor the most tenacious glues that we use in the welding of our vertical File Pockets.

Instead, we cordially invite you to send for a sample to see for yourself this sturdy pocket that holds from 300 to 500 sheets of letter size or legal size papers.

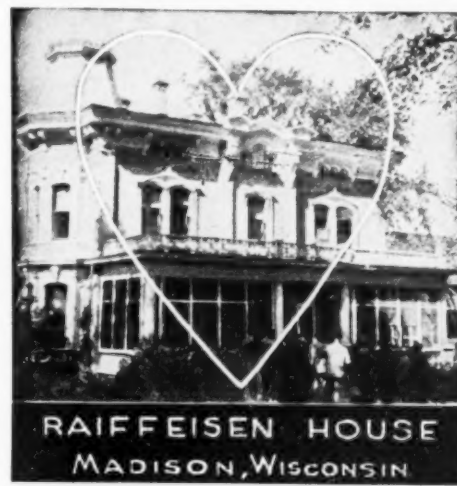
AMES SAFETY ENVELOPE CO.

610 Atlantic Avenue
BOSTON, MASS.



The Heart of the Credit Union

In this section you will find those items which are designed to assist in credit union organization and operation and the promotion of our common cause.



A Few Practical Suggestions

THE FIRST of them has to do with credit union organization. We have at last reached an objective which we started out for sixteen years ago. There are credit union laws in 41 states and a credit union may be organized anywhere under the Federal law. Further there are four agencies available to assist anyone interested to organize *without any charge at all*. We have the Contact and Organization Department of CUNA, the Federal Organization Section, the State Leagues, the Founders' Club—not to mention in one state a full time organizer paid by the State and the fact that the 5000 credit unions cover every state in the union so that there is a sample handy to your location; besides we have 125 city chapters interested in organization work. Bear in mind that there is no more reason for anyone employing an attorney or someone else to assist him to organize a credit union than there is for trying to tip the Mayor because you took a drink from a public drinking fountain. The original credit unions came as a gift from Mr. Filene. All of these agencies are pledged as their first business to carry that gift to others—free! Further we now have plenty of trained organizers. Further the way and manner of contact is contained on the back page of this issue. Further these contacts can get you the forms and help you with the organization work. Further from the same sources you can get help in the matter of getting started on the right foot after you get your charter. Further the only fees are the fees paid the State or Federal governments and these fees are, for the most part, nominal. Further we can tell you with fair accuracy which law you should use. Further the new credit union can join its State League and CUNA without dues the first year. Finally CUNA will on application send you free informative material, make the necessary contacts for you, etc.

After You Are Organized

After you receive your credit union charter you are going to need some help. We have tried to make the organization process, the bookkeeping system and all the details as simple as possible. You can get a bond because of CUNA at half the old rate. You can get the bookkeeping forms from CUNA at net cost. The bookkeeping system is simple. You can get free from CUNA the bookkeeping primer (which explains the forms), and leaflets having to do with practice in ample supply for your directors and committee members. *The Federal credit union section also does an exceptionally fine follow up and contact job, with ample explanatory material, to help you get started right.* Every state league managing director will help you with contacts well qualified to assist you with your books at first. If you need a safe, CUNA will get it for you with the maximum trade discounts. In other words there is no more excuse for a new credit union to flounder around alone and get into difficulty than there would be for me to drown in the kitchen sink! And remember if the credit union is smart it will at once join its local chapter (if there is one and, if there is not, will help to organize one) for the monthly chapter meeting has a part devoted solely to assisting new credit unions. And there is no more reason for a new credit union to get big headed and think it knows it all and try to go it alone than there would be for me to go to work in the winter in my bathing suit simply because, not having sense enough to know that it's cold when the lake is frozen over, I refuse to be taught by the neighbors who are going about comfortably in their overcoats. *There is nothing new about the credit union and there are rules about it and the new credit union should know the rules.*

I suggest that this business of education is so great that every new credit union should appoint some individual or committee which will have the responsibility of contacting credit union members with every ounce of education available. The Treasurer of a credit union is the Manager. He keeps the books at first

and, in a small credit union, is generally the permanent bookkeeper. He must, above all else, like the business of being treasurer. There is no more place for a disinterested treasurer in a credit union (no matter how skillful) than there would be for a row boat on the desert of Sahara. Give us a treasurer who believes in what he is trying to do and we will make a bookkeeper out of him. *If he knows something about accounting so much the better—but many of our best bookkeepers never kept any books prior to their credit union experience.* He must be true, honest and loyal. The Treasurer is *not* the Credit Committee. He may advise the Committee but the Committee should pass on credit. And there is no more place for a too conservative, a too tight, a too Scotch (although the most liberal man I know is a Scotchman by descent and that comparison should not really be used) credit committee than there is for a No. 3 shoe on a No. 9 foot!!!!

All over this broad land there are infinite needs for credit—and I go into credit union after credit union where they tell me, "we have reached the saturation point in small loans", and find all the members buying everything on the installment plan. Loans must be provident or productive purposes but this is 1936 and *we know now the prosperity depends on the highest possible standards of average living made possible by fair wages and the capacity to buy the things which make for a full and enjoyable life.*

It is about as sensible for a credit union to have unemployed funds today as it would be for a hungry man at a free lunch to starve to death. The credit union succeeds or fails on the treasurer and the credit committee.

We will follow along with this in the September BRIDGE. But remember—a credit union without an educational committee to make the average members know what it is all about—is as useful as a jug without a bottom.

Look for our new Department in this Section in September. It will be a permanent department—and will be entitled "Education and How."

August, 1936

IN STEP with progress and awake to the value of a personnel relieved of financial problems, practically every motion picture studio in Hollywood has established or plans to establish a Credit Union for the benefit of its employees.

The one in operation at 20th Century-Fox Studio under the able guidance of George D. Hellgren and his assistant, "Wally" Knapp, has the distinction of being the largest and most active among present studio Credit Unions, having a membership numbering well over a thousand.

As one of the principal functions of a Credit Union is to lend money at a greatly reduced rate of interest to all who can qualify as responsible employees in good standing with their employer and fellow workers, the 20th Century-Fox Studio Employees Credit Union rates as one of the most successful groups known to the motion picture industry. Since its incorporation in October, 1933, it has granted over 3,700 loans, or a total of over \$400,000. Already during the first six months of 1936 it has loaned out more than \$125,000.

Another outstanding indication of the successful management of this Credit Union is that, even in a business such as the making of motion pictures where employees are constantly on the move from one studio to another, this group has written off less than fifty dollars in uncollectable loans. This would seem to be a record for banks to shoot at.

With individual savings ranging from one dollar to one hundred dollars a week, one of Mr. Hellgren's chief concerns is keeping the quickly accumulating assets—now amounting to more than \$90,000—as fluid as possible. According to Mr. Hellgren, the 20th Century-Fox Credit Union is going to do its utmost to live up to the purpose of its existence by keeping these funds in constant circulation among the employees. To this end it is anticipated to make a drive for new members and to instruct present members more thoroughly in the uses and advantages of this beneficial service.

In addition to the usual demands for cash to cover medical care, building loans, funeral expenses, or the purchase of a car and other needs, employees at 20th Century-Fox put their Credit Union to good use at two of the most important seasons of the year—Christmas-time and vacation-time.

Those who are aware that one of the main functions of a Credit Union is to make cash available to its members for pleasurable occasions as well as emergencies, freely make their wants known to Mr. Hellgren at these times. Thus, while availing themselves of this means to a fuller and more enjoyable life, they are also stimulating trade by putting cash

The Credit Union Catches On

by MAY STANHOPE



George D. Hellgren

Able and industrious secretary-treasurer of 20th Century-Fox Studio Employees Credit Union, calls himself cosmopolitan. Born in Chicago, he was educated in Sweden, served with the Yankees in the World War and later spent four years in the American Consular Service in Berlin.

Walter Knapp

A graduate of the University of Wisconsin, and now actively engaged in assisting George D. Hellgren run the 20th Century-Fox Studio Employees Credit Union, has a special interest in the movement, having been born within speaking distance of Raiffeisen House in Madison.



into circulation. This in turn reacts favorably upon the industry which employs them, making a magic circle for good.

Another important function of the Credit Union at 20th Century-Fox is taking care of employees during lay-off periods or at the seasonal lulls in production. Here again, with a free mind, they avail themselves of sufficient cash for living expenses, comfortable in the knowledge that they will be able to repay the loan when they return to work.

Hard-working "Baron" Hellgren, as he is called by his many friends, goes a step farther in the operation of this Credit Union by personal contact with creditors of studio workers when, in his opinion, the fees of doctors, dentists and others are excessive. In one case alone he effected settlement of a \$300 account for exactly half in view of a cash payment; at another time he secured a \$60 reduction.

In order to accomplish this good work it is necessary for him, of course, to neglect some of his regular duties which should be done during office hours. But they are never really neglected in the

end because, due to his keen interest in making the Credit Union a workable, beneficial instrument for the good of employees, he spends many a night and many a week-end catching up on detail work at home. To such men and their interest and untiring efforts in behalf of others is due the present great success of the Credit Union movement throughout the United States of America and its possessions.

This very successful 20th Century-Fox Studio Employees Credit Union owes its creation in part to the cooperation and interest of George L. Bagnall, who sponsored its organization before the merger of 20th Century and Fox Film Corporation. In his capacity as studio treasurer, Mr. Bagnall was constantly in touch with the requirements of the studio personnel. Being a man with an interest in the distress of others, he recognized the urgent need of some such plan to help the salaried man keep his credit on a firm basis and to meet those emergencies which bob up at the most unexpected moment.

Therefore, with the aid of Mr. Hell-

George L. Bagnall

Sponsor of Credit Unions at the former Fox Film Studio and later at Paramount, is a man beloved for his open-mindedness to the distress of others.

gren, he went about the organization of the Fox Film Credit Union which later became the 20th Century-Fox Credit Union upon consolidation of the two companies.

When Mr. Bagnall saw the plan in operation and realized the tremendous good accomplished, he was more than ever impressed with its solution of difficulties that harass workers and, in turn, executives of every large organization.

In fact, he was so keenly in favor of the movement that a second group was established through his instigation at Paramount when he became affiliated with that studio late in 1935. There he was greatly assisted in the organization work by the enthusiastic cooperation of William F. Rudolph, now president of the group, and by L. R. Davison.

In existence only since January 7, 1936, the Paramount Credit Union, under the guidance of Ralph Green, treas-

urer, has attained a membership of 517, with 366 borrowers and assets totaling over \$18,000. Mr. Green, who is directly responsible for the successful operation of the group, is greatly in favor of the plan and the benefits it has made possible to workers at Paramount Studio.

Although all Credit Unions are organized along certain fundamental principles, they vary more or less according to the conditions under which they operate. Perhaps the most unique group in Hollywood is that at RKO-Pathe Studio under the direction of A. J. Campfield, secretary-treasurer. This studio, which rents out its sets and equipment to different producing companies, has a fluctuating production schedule and crew. Sometimes there will be over five hundred people working on the lot and again only a handful.

In between productions, the surplus office force and technical crew are laid off. If these workers run short of cash during the period in which they are without income, they take advantage of their membership in the Credit Union and borrow enough money to carry them through until the next picture starts shooting. When they return to work, the loan is deducted in small amounts from their pay checks each week.

Another novel feature of this Credit Union is that it is privileged to loan money to any member of the various companies working on the lot.

Mr. Campfield also states that the Credit Union is most effective in helping studio workers pile up a credit reserve for slack periods by laying away at least \$5.00 each week. This money is deducted from their pay checks and they therefore are able to forget about it until a definite need arises. At the present time, the RKO-Pathe membership is fifty-nine, forty-six of whom are borrowers.

One of the first Credit Unions to be established in the motion picture industry was at Universal Studio in 1927. Now under the direction of Frank Doyle, secretary-treasurer, it has a membership of 480, borrowers totaling 337 and assets of over \$28,500.

Mr. Doyle states that Edward Dodds, acting president of the group, together with the board of directors, contemplates a campaign for increased membership in the near future with a view to making Credit Union benefits available to as great a number as possible. It is therefore the plan of the men in charge of the Universal Studio Credit Union to spread this information in a simple and effective way by means of a mimeographed bulletin which can be distributed with the pay checks.

Undoubtedly, the growth and success of each individual Credit Union means a still greater scope in future Credit Union benefits.



Wm. F. Rudolph

Who was largely responsible for the organization of the Paramount Studio Employees Federal Credit Union, of which he is now president.

Good Morning

(Continued from page 12, column 3)

Donald) met us at Truro. He's a great big man—physically and mentally—with a grin and a joke and a twinkle in his eye who knows his people so well that he works for them by working with them. He took us over some of the best and some of the worst roads in the world to Antigonish. The roads of Nova Scotia are being paved and straightened and the whole job is scheduled for two years—so there are hundreds and hundreds of men working on this colossal job and if it wasn't for the fact that they have very cutely finished a stretch of a few miles at every point where the bewildered and befuddled motorist begins to give up the ghost—one would never really penetrate the interior. It will be very fine when these roads are finished and Nova Scotia will reap big dividends on the job.

At Antigonish we went out to a fine old rambling house by the sea—on the very shores of Northumberland Strait—six miles or so out of town and spent quite the happiest Sunday of recent years after returning from the League meeting at Port Hawkesbury.

First, however, we had the Port Hawkesbury meeting.

If you will look at the map of Nova Scotia you will note that Cape Breton (where most of the credit unions now are although the spread to other parts of the Province, particularly Halifax, is now well under way) lies to the north, just across the Straits of Canso and Port Hawkesbury is the Gateway to the Cape.

We stopped at the Farquar Hotel, a most interesting house because you can climb two flights of stairs without getting off street level. My room was on the third floor and, following my usual custom I went down the corridor to find the fire escape, timidly opened the door at the end thereof and stepped off into the back yard, the house being built on three levels. It is being repaired and it has a curving stairway which is more interesting than the leaning tower of Pisa! The story of the meeting in the Halifax Herald made the front page and it opens with this statement which will interest all the members of CUNA. "Affiliation with the Credit Union National Association and naming Professor A. B. MacDonald of Antigonish, as a director were features of the annual convention of the Nova Scotia Credit Union League held here on Saturday, July 26th." It is not trespassing too far on the September issue and the story of the Executive Committee meeting of CUNA on August 5th, incidentally, to note that CUNA at that meeting stretched out the good right hand of fellowship by accepting the membership of the Nova Scotia League and Mr. MacDonald's association with our National Board. This may be the beginning of something of vast importance in the strengthening of the bonds of friendship which have so long existed between the two great subdivisions of the North American continent.

Father Coady made the keynote speech and spoke too briefly. He spoke, as always, with rare eloquence. There is a sort of spiritual reawakening as to the possibilities of a better world when it becomes a more cooperative world—which is always incidental to anything Father Coady has to say about cooperation.

Reports from various parts of the Province were read showing rapid progress; there are now 67 credit unions in the Province, stretching from Yarmouth to Cape Breton with nearly 11,000 members. A. S. MacIntyre, President of the League, presided in most able fashion and there were, as always at credit union meetings, spirited debates. Twenty-two new credit unions were organized in the Province during the year. The Directors elect include, in addition to Professor MacDonald, Alonzo Hall of Pictou, Dan McLean of Inverness, R. J. Campbell, representing the rural sections of Cape Breton, Michael Walker of Sidney Mines, Edgar MacDonald of Sydney, Frank Robertson of New Waterford, J. G. McNeil of Reserve Mines and John Foote of New Aberdeen. The meeting was held in the local parish house and the ladies of the parish served dinner and supper—and—if you want cooking—go to Port Hawkesbury!

After our happy day with the MacDonalds at the shack we decided we must be getting back to Gloucester but that didn't fit in with A. B.'s plans at all, and after some telephoning to Charlottetown we found ourselves the next day touring with the MacDonalds through some more interesting country to get the boat at Pictou for Prince Edward Island where there is a brand new credit union law and some pioneer credit unions already functioning.

In the September BRIDGE we will tell you of our visit with Father Murphy and Dr. Croteau at Prince Edward Island.

When the Nova Scotia roads are finished we hope that members of CUNA will visit our newest member and get acquainted. Nova Scotia has much to teach us. The country is homogeneous; the people are most receptive; there are few distractions in the towns and villages to lure the study club members away from their studies. Cooperation has found fertile ground in the Maritimes and, with extraordinary leadership and fine loyalty to good leaders Nova Scotia will show the way to other parts of Canada—not only in the credit union but in friendly and effective cooperation between their country and ours—the two countries which have given the world the finest demonstration of international amity. Credit union movements in Canada and the United States finally established and working intelligently together, may serve in the difficult years ahead to prove that the word 'cooperation' is a broad word indeed and that in cooperation we may find the way to guide the war weary world to peace.

"Good morning," Nova Scotia, and thrice welcome to CUNA!

The Oregon Country

(Continued from page 11, column 3)

following the California gold rush of 1849, a party of Oregon prospectors discovered by accident in the year 1853 this transcendent scenic attraction—Crater Lake. In 1902 the United States government established Crater Lake National Park, embracing Crater Lake and the surrounding country.

This body of water, almost round and six miles in diameter, is the deepest known body of fresh water in the Western Hemisphere, and half fills the ancient caldera which was once the seething interior of Mount Mazama, probably one of the highest volcanoes in the West.

Geologists tell us that at some time in remote geological history Mount Mazama's peak stood probably 16,000 feet above the sea and that a terrific cataclysm took place and after a large portion of the mountain was blown away through tremendous volcanic eruption, the mountain top caved in and some 17 cubic miles of material disappeared within the depths of the great caldera that had formed in the interior of the mountain itself. The resulting pit, 4000 feet deep which then remained, eventually half filled with water from the melting snows and formed Crater Lake as it exists today. There is an air of mystery in Crater Lake which is also suggested in the names of its fantastic islands—the Phantom Ship and Wizard Island, the latter an extinct volcano with a crater of its own which formed in the bottom of the old caldera in a later geological period and today rises almost 1000 feet above the water's edge.

There are so many things in Oregon that are worthy of individual mention that it is necessary to leave out numerous points of interest and arbitrarily close this article, but it is sincerely hoped that more people from other parts of the United States will avail themselves of the opportunity to visit Oregon and see her scenic wonders, for the "green land far away" judged by modern standards is well within the reach of all.

Stop Thief

We stole this picture of the Clark Memorial (dedicated by President Roose-



velt on June 14) taken with a No. 2a Brownie Box Camera from the Kodakers Section. Thanks, Miss Nellie Nierste!

There has been a fine credit union poster on exhibition at the Texas Centennial. We hope to have some of them shortly for anyone interested.

The CUNA MUTUAL Celebrates A Birthday

A YEAR AGO (on August 16, to be exact about it) the Cuna Mutual Society started to function. Looking back on a year during which credit union loans in excess of eleven million dollars have been covered by Cuna Mutual policies we rub our eyes and pause for breath. In that old classic "Mother Goose" there is one rhyme about an old lady "who went to the Fair, her eggs for to sell. She fell asleep by the King's highway" and after that various interesting things happened to her. So many things happened that when she got home she ejaculated: "If this be *me*—as I *think* it be," etc. Looking at the Cuna Mutual on this first anniversary we are in much the same state of mind. We wonder if this extraordinary array of figures which I have before me as I write can possibly be *our* figures.

When we started operating, Mr. Rentfro and Mr. Doig and the writer made some guesses as to the first year's business; being naturally conservative I put the total of coverage at three million. As I recall the figures, Mr. Doig doubled my guess and Earl, the optimist, put the total at seven million.

For the first twelve months the Society has written a total coverage of \$11,387,855.09! Do you wonder that we are a bit breathless?

Our August, 1935, statement showed premium receipts of \$145.22 and, incidentally, we thought that was pretty good. The Society is now serving 700 credit unions and has covered over a quarter of a million loans in number. In the month of July we wrote a total new coverage of \$1,826,368.84. We estimate our total new coverage for the current month conservatively at \$2,100,000.

We have paid death claims, totaling in number 98, since we started and totaling in money \$10,972.28. These claims have all been paid promptly to the complete satisfaction of the credit unions served. While we are of course governed by established insurance practices and by a carefully devised Wisconsin insurance law and operate according to the rules of one of the most efficient insurance departments in the United States—we have tried to operate the society



with sympathetic understanding of its purpose, which purpose is to make the Society a 100% service organization for the credit unions of the United States affiliated in Cuna.

The Cuna Mutual office is manned by Earl Rentfro, who as Secretary of the Society is its active Manager. Earl is rapidly becoming well informed in insurance technique and much of the success of the Society its first year is due to his extremely wise leadership and to his consecrated effort in its behalf. As this is being written he is vacationing at his ranch in Montana where, long before his association with the credit union movement, he became interested in raising peas for seed. He visits the ranch annually during vacation to see how his brother is managing the ranch. Earl was our Missouri credit union pioneer. He was

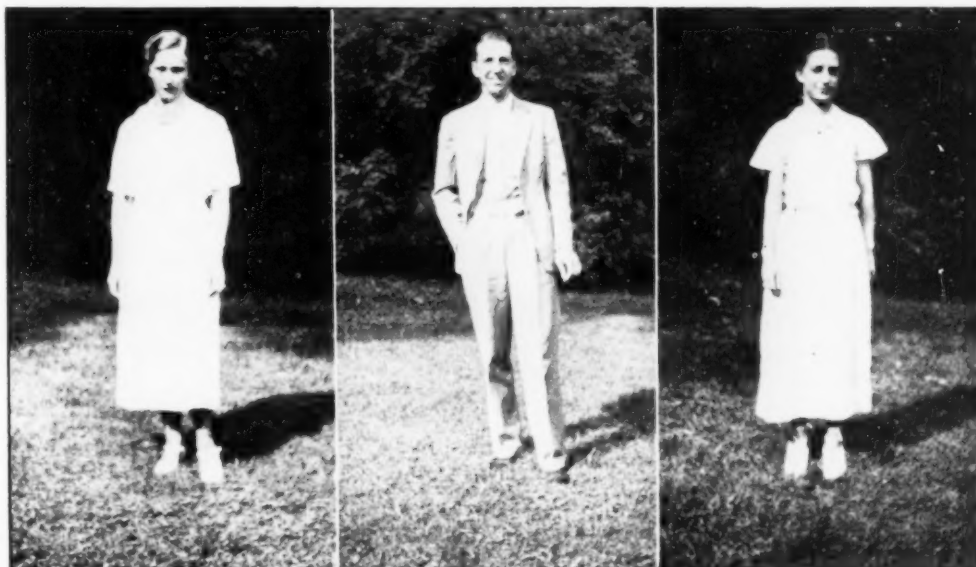
the first Managing Director of the Missouri Credit Union League and, at Raiffeisen House, he not only manages a rapidly developing insurance society but also sits in on all general problems, and in the course of twelve months has occasion to put in many a good lick on the innumerable problems with which Cuna is constantly confronted. It will also be remembered by all those who now are interested in the Federal credit union development and the hundreds of thousands of individual members of thousands of Federal credit unions that it was Earl who fought the Federal bill through in cooperation with the Managing Director, backed by the State Leagues and the credit unions during those long, hard days when it did not

(Continued on page 24, column 2)

Evelyn Schuetz

Jack Fortnum

Ruth Mueller



AL LOWE was East for July and that accounts for the fact we (Mrs. Lowe and the Al aforesaid) didn't get much into the movies. In fact we made a foursome with the Boss on his trip to the Maritimes and while one would go to the Maritimes for first hand information about the value of a credit union educational program and to meet grand people and to see grander scenery—one would not go to the Maritimes for the most recent movies. I didn't get to the larger cities, Halifax and Charlottetown (although the boss made Charlottetown) and am speaking only of the small towns and villages.

Someone wrote in recently that he got far enough back in the sticks to see a presentation of "The Life of a Nation" but I doubt it!

I did get into a small theater in Ipswich, Massachusetts, while East to see that excellent picture, "The Sins of Man," with Jean Hersholt (see the June BRIDGE). I wonder why it is that the average of us want a story to end happily. I know that I do and I suppose I am a fairly typical average feller. When I read a book and it comes out wrong I like to rewrite in my mind the final chapters so that everything will come out to my satisfaction.

I imagine that is what the credit union is for—and BRIDGE readers must appreciate that I was a credit union member before I was a movie editor! Isn't it our job in the credit unions to make things come out better for people, to do what we can to make the average life problem have a happier ending. All the mess in the world and those who are making the biggest messes of things—all go back to a contention doubtless that the inspiration is the same—to make life come out happier. One nation has too many people and too little land and it makes war to get land for its people and, much as we detest the process, we must realize that you can't solve an acute problem by objecting to the way the other fellow is solving it when we have no solution to offer.

So getting back from world expansion to the credit union and thus back to my job may I note that the high point in the "Sins of Man" for me was the

old bell ringer, all dolled up in a dress suit and having a perfectly swell time playing in his son's orchestra in the end.

How Do You Like It?

In other departments of the BRIDGE various editors have been making some inquiry as to how the various departments are appealing to BRIDGE readers. I am informed that the KODAKERS were close to an untimely end and the editor wrote an obituary notice for that Department only to find suddenly by letters

FRONT-ROW VIEW of the old swimming hole ... underneath the Credit Union "BRIDGE" at 20th Century-Fox Studio. Mary Blackwood, one of the forty beauties appearing in "Girls' Dormitory," takes time out for a dip when Director Irving Cummings isn't looking.



that have come flooding in that everyone wants the KODAKERS continued. The harassed editor decided to give up the Joke of the Month and in came trooping a whole army of jokes—good, bad and indifferent.

While on my vacation I had a chat with one of the good friends of the BRIDGE and he doubted the wisdom of this page, pointing out the quite true fact that there are other publications, including the daily papers, which will do a lots better job with movie reviews, etc., than we can. Another reader (only one) wants us to give up the space we are using for this department to discuss with him his contention that high dividends in credit unions are justifiable.

Now this BRIDGE is YOUR BRIDGE!

It was built to carry you to places which are worth visiting.

We are new at this business and must get some experience until you tell us with certainty as to just where those places are.

Our thought about this page has been based on a few considerations and I'll do what the boss does occasionally and try to arrange them in one, two, three order.

(1) There are over eleven hundred thousand credit union members and it's a safe bet that 90% of them—more than a million of them—are like me and get rest, recreation and enjoyment out of motion pictures. These folks are vitally affected by the quality of this entertainment and motion pictures are probably right now one of the relatively few top bracket influences on our national life. We are, it seems to me, all of us—interested in the movies. That's point number 1.

2) As will be noted elsewhere in this issue the credit union is making a very definite penetration in the motion picture industry. You will find in this issue a fine story by Miss Stanhope, who has been helping us so much with

DISTINGUISHED GROUP—A discussion relative to Paramount's "The General Died At Dawn." Left to right Madeline Carroll, Playwright Clifford Odets, who did the script; Director Lewis Milestone, Novelist John O'Hara, and Gary Cooper.



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pictures, articles, etc., telling of the 20th Century-Fox Credit Union which has already loaned more than \$400,000, and in this article you will note how the credit union movement is spreading in the industry.

(3) Just as credit union members need the movies (and I would be one to be glad to take the affirmative side of the argument that the average of us do need the movies and I often wonder how some of us could have stood this depression if we hadn't had a chance to get our minds off the business of loss of jobs and economic instability by visiting occasionally with Mickey Mouse and Pop Eye) so the movies need us! They need us as a representative cross section of the people who are going to insist that all phases of human life be made better for our people including their entertainment and education through moving pictures. I believe that this page, if you BRIDGE readers want it, will, as the BRIDGE develops, give us eventually a forum for discussion of the movies so that this great industry will help us all and never do us injury.

I heard once, from a man I knew, a little prayer he made (so he informed me) every day when he tried to communicate with his Maker. I never have forgotten the line: "Give us those who will give us laughter." We live in a time when we need laughter; we need fun; we need entertainment and we need above all, that the entertainment, like the credit union loan, shall help the individual being entertained—not hurt him.

Soooooooo—let us know what you think of old Al Lowe and his humble efforts to make this part of the BRIDGE do what you, who own it, want it to do.

A Superlative Movie

"Green Pastures" is the sort of movie which moves one to superlatives. I saw it last evening and have never enjoyed a movie more. The thing I liked most about it was the fact that motion picture audiences, hereabouts anyway, have been educated by the better movies they have been getting, so that, in this case, they didn't laugh at the wrong places. One must be understanding and sympathetic not to misunderstand "Green Pastures". It is easy to believe that the picture is a broad burlesque on religion. Obviously it isn't.

As a matter of fact it is an extremely skillful portrayal of the progressive, evolutionary development of religion from the God of fire and vengeance—the wrathful diety of the Old Testament to the God of love and understanding in the New Testament. The high point in the story is the moment when the Lord, wonderfully portrayed, suddenly discovers that he can learn something about how the human race must progress from one of his mortals. I liked every



LET'S REHEARSE—Mary Boland, currently teamed with Charlie Ruggles in Paramount's "Early To Bed", rehearses her lines for the next scene with Norman McLeod, ace comedy director who is guiding the famous team through the picture.

FINAL SELECTIONS—Wesley Ruggles, Paramount producer-director, shown with three of the cast finally selected to portray important roles in "Valiant Is the Word for Carrie." Seated on Ruggles' lap is Charlotte Wyatt. Then comes Jackie Moran and Gladys George, who will portray the name part. Ruggles' assistant, Arthur Jacobson, is at the left, rear and Leo Tover, A. S. C., cameraman, is at his post.



bit of it—Gabriel, the Lord's private secretary and "yes-yes" man, Moses—the young Moses who was so tickled because he could match tricks with Old Pharaoh and beat the monarch at his own game and the old Moses who finally joined the Lord's cabinet in Heaven.

Above all—wasn't the march of the animals—one by one into the Ark in the rain, while Noah was trying to check them off on his long list—wasn't that something?

And what weary executive—what tired leader who has been doing his darnedest to prove his capacity for leadership who wouldn't get all his courage back when the Lord, looking out of his office window at the sinners down below, said, his voice quivering with emotion: "Sometimes being the Lord ain't no bed of roses." If you haven't seen it and get the chance—don't miss "Green Pastures." It will give you something to think over all winter. It is superbly acted.

Let's next take a trip around the Paramount Stage with Ben Kemper.

So you want to tour around the studio. I thought so when I saw you turn the page to this section and that eager glint came into your eye. Well, sign these passes right here on the dotted line and let's get going. You want to dispense with the regular tourist excursion around the lot and get right down to the sound stages? Well, that is a good idea because there aren't many outdoor sets to see now as they have nearly all been torn down to make way for a gigantic replica of the St. Louis of seventy years ago for De Mille's new picture, "The Plainsman," which is to start production in a week or so with Gary Cooper in the starring part.

Here we are at stage five. Yes, that was the dressing room building we just passed. They are taking a scene inside now. We will have to wait outside here until that red light goes off and the bell stops ringing, before we pull open that door. The picture is the new Charles Ruggles-Mary Boland opus, "Wives Never Know." Some title. Mary Boland has just finished her first really dramatic role in a picture with Donald Woods, "A Son Comes Home." Quite a departure for her, but now she is back once again in her familiar comedy metier. Charles Ruggles spends all his spare time between pictures at his new dog kennels which he has opened in San Fernando Valley.

The bell stops, here we go. It is a task to pull open the heavy sound proof door. Once we are in, you see, way over in the corner, that comedy pair familiar to all picture goers. Today they are working with great big jovial Louise Beavers, the colored actress. We stay for awhile and listen to the familiar fluttering tones of

Mary Boland's quavering voice and Charlie's confused protestations in their rehearsals for the next scene.

Now for the huge canvas enclosed tank where Gary Cooper and Madeleine Carroll are working on "The General Died At Dawn," an exciting and romantic tale of Chinese revolutionary intrigue. The scene is breathtaking in genuine atmosphere. We see across the tank a full sized Chinese pirate junk, replete in every

(Continued on page 24, column 1)

PERHAPS it's the influence of the good old summer time!

The KODAKERS are sure enough beginning to rally round.

We've so many of them that I haven't room for any preliminary remarks except to tell one on myself which will prove, incidentally, that this department needs a more intelligent editor. I went to Nova Scotia with the Boss, too. While Al Lowe notes in his department that that Nova Scotia trip (see herein elsewhere) was a "foursome" I don't know just how he figures for I was there and so was the Boss and his wife and Al and his wife and I weigh an even 182 and he must have known I was around. At A. B. MacDonald's shack near Antigonish with a brand new camera with which an interior picture had never before been attempted, in very poor light, I got an exceptionally good picture of Mr. MacDonald and his wife. That took some adjusting for interior exposure, etc., and the next day I went over to Prince Edward Island and took a lot of pictures without readjusting the camera to outdoor snaps. I took one of the Boss' wife sleeping peacefully on the deck of the boat on which we crossed over to the Island but none of the pictures came out at all and I discovered what was the trouble by trying to have the last film developed. Incidentally, with the new camera I got 32 good pictures out of 32 tries. Then when I got back to Madison to make the trip with the gang to Spider Lake for the Executive Committee meeting I found that my old camera was at the photographer's being "fixed"; he found so much the matter with it that it was like building a new shoe to fit an old shoe lacing. But I sure did get some pictures at Spider Lake as I will try to prove to you in the September issue. I'll give you a tip; look for real, honest to goodness, live Indians in the September BRIDGE!!!!



Here's a first letter from Jane Patton. Howdy, Miss Patton! Her dad subscribes to the BRIDGE. "The last page, the Kodakers, is the first page with me," she writes, "and as soon as the BRIDGE comes in I read that section first . . . please don't discontinue the Kodakers!" She encloses a picture

which we are happy to reproduce of a bridge in the Fairmont Park Zoo at Duluth, taken with an Eastman 2A Folding Kodak. She signs off "More power to you and the Kodakers." She has the kind of medicine we need.

When Mr. Levinson comes back with a fine picture—the Flambeau River, looking north from the bridge at Oxbo, he

WITH THE KODAKERS



notes that because the river acted more or less as a color filter the clouds are more pronounced in the river than in the sky.

Mark Jefferson of Ypsilanti steps to the fore with an interesting picture of "a thrifty Frenchman of 1911, with his good leather shoes on the sidewalk, but stout sabots on his feet as he paddles

about in the sand and water of the streets of Tours, very skillfully leveling up some granite paving blocks." Mr. Jefferson writes enthusiastically about his credit union and likes the BRIDGE. He is working on a map which when completed will show in graphic and interesting form the credit union distribution by states in proportion to population. We note his request for data to complete his figures and this data will go forward as



soon as the editor of the BRIDGE can get the August issue to the printer and get back on his regular schedule. Thanks to both Mr. Levinson and Mr. Jefferson for very acceptable contributions.

Lost—Strayed—or Stolen!

Please cast your weather eye on this picture and then tell me where I got it! When I got back from vacation my desk was loaded and trying to sort things out this picture got lost. If it's father or mother will come to the band stand in the center of the Fair Grounds before closing time and identify this interesting child a reward of one dollar will be paid for its use.



Did You Ever Hear of Queechie?

If you went to Dartmouth College—you heard about Queechie! The Queechie Gorge is in Vermont. Francis E. Robinson, President of the First Farm Bureau Credit Union at Concord, New Hampshire, reminds us that only the Connecticut River separates New Hampshire from Vermont and that he gets



Introducing TED HUGGINS

Sometimes in this somewhat complicated credit union business we become tremendously indebted to someone whose contact with us is all through the mails. When we started the BRIDGE and opened it up for traffic pleasant things began to happen. Nothing more pleasant happened than the contribution which Mr. Huggins is making to the BRIDGE. He takes pictures—and such pictures. We never knew that such things could be done with a camera and BRIDGE readers will come more and more to realize that most of the fine pictures we are using to illustrate (in this issue, for example, the Oregon article) what we are publishing come from him. You will all recall the remarkable picture of Vacation Land in the July issue (inside back cover) which is a fair sample of his work. Already we have pictures from him for an article which we shall have shortly on the Yellow Stone Park and another on the China Clipper; we have fine photography taken in and about the new San Francisco bridges and we are so rich in good photography that we have long and earnest debate at Raiffeisen House as to what picture to use when we can only get one in and we have a dozen equally fine samples of Mr. Huggins' work to choose from. Mr. Huggins is one of the original members of the Social Employees Credit Union No. 1. He is employed by the Standard Oil Company in the publicity department.

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over into the Green Mountain State occasionally. So he sends us this picture of the bridge over the Gorge and he expresses the hope that "you'll keep the Kodaker page" because "I find it interesting." He is going to send us some more pictures and one of these days he will be making the inside back cover.



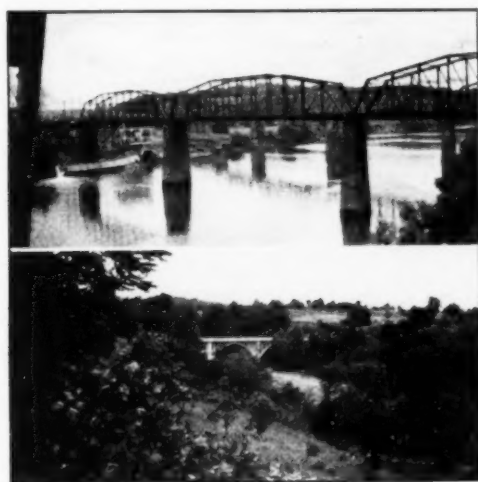
Vermont to Texas in One Jump!

You'd never guess where this picture was taken. We got it from J. W. Fulk and he took it at the Texas Centennial Fair grounds on a visit from his old home town of Tulsa, Oklahoma. It is a little bridge across one of the lakes on the grounds and Mr. Fulk casts one

very much appreciated vote for a continuance of the Kodakers!

Vermont to Texas to Kentucky in Two Jumps!!

Roy Walters is many kinds of a credit union pioneer; pioneer credit union organizer within a college—one of the pioneer credit union organizers in Kentucky; pioneer in the matter of developing technique for a teachers credit union and now almost a Kodaker pioneer. He

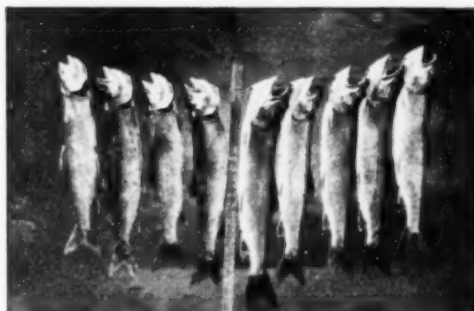


finds the Kodakers, "like all the rest of the magazine, interesting—let's not drop it," and he sends me four pictures of which I have chosen two—the railroad

bridges from the toll bridge at Cattlesburg, Kentucky, and the other a highway bridge between Olive Hill, Kentucky, and Farmers, Kentucky. It's letters like your's which will in the end make the BRIDGE possible as a permanent and truly worthwhile magazine.

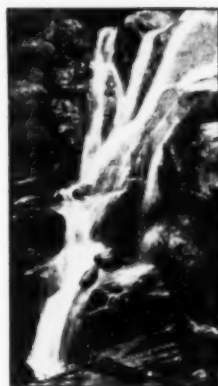
Vermont to Texas to Kentucky to New York in Three Jumps!!!

We jump east for the next two pictures and, fortunately for variety, we forsake bridges for a bit. First gather



round, you Spider Lake anglers—we have a mess of trout caught at Lake George, New York, on July 7th last, the largest of which weighed seven and one-half pounds. Now I am not absolutely

sure as to this but I understand that they were caught by Norman W. Wallbridge of the Fort Edwards Credit Union, Fort Edwards, New York. At least we are indebted to him for this fine picture and also for a picture reproduced herewith of the Ansable River



at Ansable, New York. I wonder how many BRIDGE readers are beginning to appreciate (as I am) from what we are receiving from all parts of the United States for BRIDGE presentation what a very extraordinary country we live in. Just preparing this material has been a vacation, taking me all summer here, there and everywhere. No wonder the new theme song suggested for CUNA is "We love the whole United States."

Vermont to Texas to Kentucky to New York to Colorado in Four Jumps!!!!

Mr. F. A. St. John of Denver, Colorado, writes us on July 14th that he wants the Kodaker page kept alive and that he is going to be one to supply it with some nourishment. It looks to me as though the Kodakers will remain a fixture for a while and I'll try to make good next month on my previous promise to get some one to give us some authoritative help in this interesting study to which this department is dedicated. We have two or three superior artists with the camera right here in Madison and

next month we'll have an Al Lowe or a Bridget Burns signed up to take this department off my hands and make it more



interesting and worth while. Meantime we have two of Mr. St. John's picture, passing up the bridge picture for reasons indicated above. First we have the lookout on Devil's Head, located on a high mountain in Colorado which commands a view of hundreds of square miles of the National Forest. It is con-



nected by telephone with ranger stations throughout the forest. The other picture, which is quite charming, was taken on the trail leading to the lookout.

A Little Visit at Bismark

We were glad indeed to get this picture of the State Capitol and Memorial building, home of the Capitol Employees Credit Union of Bismark, North Dakota, recently from one of the members of the Kodakers—Louis H. Auerbach.



So we sign off for this time, deeply grateful for the many fine letters received, with the Kodaker page quite revived but still dependent on your continued goodwill. Thanks, everyone, particularly for the nice letters.

August Movies

(Continued from page 21, column 3)

detail. Its patched sails are weather worn to a mouldy brown, there is a flapping line of coolie wash, and the dark skinned, sinister figures of oriental bandits are lined along the deck. Lank Gary Cooper and the lovely British star, Madeleine Carroll, are posing arm in arm for a still picture. The tank is dry now but its walls are still wet from being filled the day previous, and a couple of little prawns with bamboo cabins are beached on its floor.

Now for the set which is really my favorite. I believe you are going to see a great picture and a grand new star in "Valiant Is The Word For Carrie." Gladys George, who has scored sensational success for the past year in the New York stage play "Personal Appearance," makes her film debut as the valiant Carrie. It is a new kind of picture featuring an unusual mother, or I should say foster-mother, love interest. Maybe you read the book which Alexander Woolcott boosted to best seller success last year, and are already familiar with the story and its heroic theme.

Say, I hate to mention it but you are all tramping like a cattle herd. You'll have to walk on your toes or something as a sound stage is one place where silence is golden.

As you watch the scene you feel there is something vital about the story and its enactment. You forget the props and electricians, the director, Wesley Ruggles, the vast padded sound stage, and really get "into" the drama which is something rarely accomplishable on a sound stage with all the accompanying distractions of moving microphones, cameras, and crew. Only when Ruggles, on the completion of the perfect and effective scene, calls "Cut!" We'll print that," do you realize where you are. Miss George walks over to a velvet covered upright rest where she can relax without sitting down and wrinkling her dress, the children go off into a corner to study with the schoolteacher, and the director and technicians prepare a net set-up of the lights and camera.

We might as well go now as there probably won't be anything doing for quite a while. Why don't you go over to the restaurant. It's nearly noon and you will probably see quite a few familiar faces while you have lunch. Drop around next month, next issue, only wear some shoes with rubber heels and we can go around again to see what is doing.

See you in September.

You wouldn't guess that Adolphe Menjou started out as a farm hand on Vincent Astor's estate, pulling weeds and milking cows. He claims that even in his cow milking days his shoes were always shined and his overalls pressed! He doesn't like large parties (20th Century-Fox News release) and is now reading Carlyle's "History of the French Revolution" for the fifth time. So there you are!

Cuna Mutual Celebrates A Birthday

(Continued from page 19, column 3)

seem conceivably possible that a Federal credit union law could ever be enacted.

The Society was also fortunate in the discovery of Jack Fortnum who keeps the accounts. A keen accountant, Jack has what is known in the vernacular as "a nose for insurance" and is doing an outstanding job with the accounting of this very lively infant insurance company. About Christmas time Earl and I went hunting for someone who could help with office routine and were so lucky as to discover Miss Evelyn Schuetz, whom we are also most happy to introduce to BRIDGE readers on this anniversary celebration. The most recent recruit in the Cuna Mutual office is Miss Ruth Mueller, who is also working into the Cuna scheme of things well.

The Society is in sound financial condition. While it is a baby—it is a powerfully strong child. It started with assistance by way of a loan of capital from Mr. Filene which loan is being regularly discharged and its most recent statement shows assets of approximately \$50,000. It already shows a legal reserve of nearly \$20,000, a contingent reserve of \$3400, a special guaranty fund of \$3500, and an unassigned surplus of \$3000. It has none of the worries of so many of the insurance companies which entered the depression with investments which, along with most other investments, suffered great depreciation. The investments of the Cuna Mutual Society are with Uncle Sam—in government bonds.

Looking back over the year it seems to the writer—the First Vice President and General Manager of the Society—that our biggest achievement is not to be found in the statistics, imposing as they are. I would summarize the conclusions of this first year, were I speaking at a theoretical first birthday party, as follows:

(1) We have during the year introduced successfully a new principle of loan insurance—namely that a credit union being a *credit* (and not an *investment*) union, the better plan for financing loan protection is through the AA policy whereby the Society insures all of the loans of an individual credit union by a contract with the credit union which involves payment for the insurance by the credit union from its earnings. We have discovered what is the right, the cooperative, the credit union way of handling this business and we are gratified past all belief to confirm our conviction that our Leagues and our credit unions and our credit union treasurers will, in such large numbers, take this cooperative attitude even though it has necessarily involved breaking up the practice of commissions paid on this insurance. *The Cuna Mutual seeks successfully to give the borrower a break!* That is the primary achievement of the year in my judgment. (2) The Cuna Mutual Society was created by the Credit Union National Association. A separate entity, organized

and operating in accordance with the laws of Wisconsin governing mutual insurance companies, yet it was brought into being by Cuna. Its Board consists of Mr. Filene of Massachusetts, Mr. Doig of Wisconsin, Mr. Rentfro, formerly of Missouri and now of Wisconsin, Mr. Moore of California, Mr. Rhodes of North Carolina, Mr. Clarke of Ohio, Mr. Shanney of Massachusetts, Mr. Orchard formerly of Nebraska and now of Washington, D. C., Mr. Hyland of Wisconsin and Mr. Bergengren. The Board is well distributed and consists of credit union leaders. We are often asked whether the service of the Cuna Mutual is available for credit unions not affiliated with the National Association. It is not. While we sometimes extend the service to a credit union not affiliated with its State League it is with distinct understanding that the credit union in question will forthwith affiliate. This policy should be strictly adhered to.

(3) The Society operates by mail and in strict conformity with law. During the first years its operations have been carefully scrutinized by several State Insurance Commissioners and found to be in strict compliance with law.

(4) The Society owes much—more than can be adequately expressed—to the faith and backing received from Mr. Filene and the intelligent and helpful cooperation of the Insurance Commissioner of Wisconsin, Hon. H. J. Mortensen and to the direct assistance at all times and in all proper ways by his capable assistant Mr. H. T. Wolberg.

(5) The slogan of the Society is that it exists "not for charity—not for profit—but for service"—which is the basic philosophy of all cooperative effort.

(6) The society is indebted for its progress to the exceptional cooperation which it has received from leagues like the Illinois, the Missouri, the Minnesota and other leagues and particularly to the help of those leagues (and their managing directors) which made the very great sacrifice incidental to loss of revenue from this source that the Society might operate in accordance with its basic principles of service.

And so we enter the new year. In the beginning the courageous insistence of men like Tom Doig as to the way and manner in which the Society should operate and the skillful application of those principles by Earl Rentfro and his associates directed this husky infant into proper paths of progress.



Do you like the Federal section? We do! Here's Mr. Wilson. He writes it and we are greatly obliged to him for his fine cooperation.

A Credit Union Member Visits Washington

by LEWIS S. ARMENTO

Photos by Lewis S. Armento

THERE is a great satisfaction that the Capital of the United States has for every American. Even in these days when we hear so much talk about "state's rights," "decentralization," etc., we still look to Washington as the hub from which all activity radiates—it no longer is "the dead hand of government"—it is the Capital of our Country—it is the living realization of our fondest national hopes. And when a credit union member goes to Washington, he pays tribute to Washington and Lincoln and then heads straight for the Credit Union Section in the Farm Credit Administration Building.

When he arrives at the Credit Union Section and announces his name and his credit union, Mr. Claude R. Orchard, the director, takes him in "tow" and introduces him to everyone in the office. He is quite impressed with the informality and warmth of his reception. He feels that he "belongs" there, that it is his home. He is dazzled by the charming young ladies that constitute the over-worked, but ever so zealous and willing office staff. Mr. Orchard will introduce you to Mr. Billings, Mr. Allen, to the field investigators Mr. Dacus, and Mr. Culbreth. He will encourage you "to chin" with him or any of his assistants in discussing your problems, your aspirations, and your thoughts on the subject. Then you will meet Mr. Otto Wilson, editor of the "Cooperative Savings" and his assistant Joseph Biddle, and they will be eager to receive any criticism or suggestions that you may have to offer so as to make their publication an outstanding journal of information and inspiration. Above all you will be astounded by the splendid morale of the Credit Union Section; its homeliness; its efficiency; its harmony; and its phenomenal activity. You will understand who Mr. Orchard is; you will feel that you have known him for a long time. And then you will realize why the Section has met

with such universal success in assisting large enterprises in organizing credit unions for their employees.

You will perhaps stop to wonder why all this religious zeal for the Credit Union Movement radiating from Madison and Washington; for after all aren't they just Cooperative Saving and Loan Associations? Perhaps they are just that and nothing more; and then again they may be more—and they are. They make you feel a kinship for your fellow men; they make you realize your own worth; and they make you an optimist about your fellow men. They impress you with the fact that *the Credit Union is the Poor Man's Bank—his humble servant in his affluent days—his silent partner in his dark moments.*

Federal Notes

THE Credit Union Section recently had occasion to review the progress that has been made thus far in building up credit unions among the educators of the country, and some interesting facts were disclosed.



Above — Director
Claude R. Orchard.

Center—Jimmy Da-
cus looking serious.

Bottom—Staff meet-
ing of the Credit
Union Section.



About seven per cent of all Federal credit unions fall in the "educational" class. To be exact, at the end of July ten Federal credit unions had been set up among the faculties and employees of colleges and universities and ninety-nine among grade and high school teachers. The colleges and universities were: Howard University, in Washington, D. C.; University of Florida, at Gainesville, Florida; Florida A. & M. College at Tallahassee; Butler University at Indianapolis, Indiana; Louisiana State University at Baton Rouge; University of Maine at Orono; Battelle Memorial Institute at Columbus, Ohio; Carnegie Tech at Pittsburgh; State A. & M. College at Orangeburg, South Carolina; and the University of Texas at Austin.

Teacher credit unions have had anything but an even development over the country. The Federal list reveals credit unions in twenty-five states and the District of Columbia. Connecticut is the banner state with twenty Federal charters granted to teacher groups, while Pennsylvania takes second place with twelve among the common schools and one in a college faculty. New Jersey also has twelve organized among the three-R's teachers.

In the list of state-chartered teacher credit unions Michigan stands out, having twenty-five. Wisconsin, Pennsylvania, and Illinois are well up on the list.

Official figures have been released showing details of operation of Federal credit unions as reported for the end of the first quarter of the year. They show some interesting developments. The figures are compiled from returns from some 950 Federal credit unions, the rest of those chartered at that time being new.

As of March 31 these 950 groups had an enrollment of 158,000 members with more than \$3,000,000 in savings. This shows an average of \$21, a satisfactory figure considering that fully three-quarters of these credit unions had been in operation less than a year.

At the same time loans on the books stood at more than \$2,500,000, while total loans since organization exceeded 88,000 in number and \$5,300,000 in amount, an average of about \$61 each. To those who are not familiar with credit union achievement perhaps the most startling figure would be that showing losses from bad loans. Out of the \$5,300,000 loaned since organization only \$3,469 has been recorded uncollectable, or less than one-tenth of one per cent.

What About It?

Edited by THOMAS W. DOIG

FIRST QUESTION. Should not collectors or assistant treasurers of credit unions be compensated?

ANSWER. Several issues of the *BRIDGE* have carried an answer to the question of compensating a credit union treasurer. When mentioning the treasurer in answering these questions, we really have in mind the entire operating force of the credit union. It is usually true, however, that when a credit union has a number of assistant treasurers or collectors, the functions of these assistants are quite restricted and the labor which they contribute is not great. The treasurer of a credit union, in addition to handling the collection and disbursement of funds, has responsibility for the general management of the credit union, its accounting, etc. Members of the Board of Directors, credit and supervisory committees of a credit union may not as such be compensated, therefore, the law itself contemplates that some members of a credit union shall contribute small services without compensation.

SECOND QUESTION. May a Federal credit union charge its members for loan protection insurance?

ANSWER. This question was answered indirectly on Page 21 of the June issue of the *BRIDGE*, in the final sentence of the answer to Question Eight. The entire expense of a loan being made to a member by a Federal credit union may not exceed 1% per month on the unpaid balance of the loan. However, the Federal Credit Union Section has ruled that, whereas a Federal credit union may not require a borrower to take out and pay for loan protection insurance, the borrower may do so voluntarily, or he may do so on the insistence of those people who act as co-makers on his note. The best form of loan protection insurance is known as the AA contract or budget plan. Under this plan the credit union pays for insurance on all loans outstanding from the 1% per month which the borrowers pay to the credit union as interest. This protection costs the credit union only one-eleventh of its gross income, it protects the credit union against loss or inconvenience in case of death of the borrower, and it recognizes the obligation of the credit union to protect, in so far as possible, the co-maker of a note from inconvenience due to the death of the friend whose note he has endorsed. The Cuna Mutual Society has been in operation for one year and has written more than eleven million dollars of coverage.

THIRD QUESTION. A member who earns \$50.00 per week had a loan for \$108.00 and paid back \$20.00 (this loan was to pay some bills and buy a washing machine), then he made application for a loan of \$400.00 to pay the old loan, also a loan that he has with a finance company on his furniture, and to pay his father some of the money that he had advanced for him some time ago. This man got into difficulty when he was out of a job; he now has been working three and one-half years, but has not always earned \$50.00 per week, and he has paid many of his old bills since he has had a job. He wanted the credit union to take

a mortgage on his furniture, also on his automobile. He stated that he could get a loan of \$125.00 on his car and \$300.00 on his furniture from the finance company who now hold the mortgage. He was to pay back to the credit union \$8.00 and interest per week, so that would have made him free of all debts in less than a year. In order for the credit union to make this loan, we would have had to borrow about \$150.00. The credit committee turned down the loan, but loaned him \$188.00, \$88.00 to pay the old loan



Reading over Tom's questions and answers (quite the most popular part of the *BRIDGE* if the letters we receive are any criterion) I am taking advantage of the fact that he is far, far away on a well earned vacation to note that I know no one who can think straighter than Tom. He projects his mind forward with complete honesty in his thinking which knows no compromise with those things which, however attractive they may seem, would work against the forward marching of the credit union movement in all the beauty of its purity of principle. We all get a thrill out of Tom's work. I am also sneaking up behind his back and, quite without his approval or knowledge, including in his column this little picture of him taken at Spider Lake which seems to me to be particularly good.

Editor

and an additional \$100.00 to pay his father. This still left him owing the finance company. Did the credit committee act right?

ANSWER. If the credit committee refused to make the \$400.00 loan, reducing it to \$188.00 because of shortage of funds in the credit union, they acted improperly. The credit committee should not in any way be concerned with whether money to cover a loan is available in the credit union. They should simply act on a loan application, and if they approve the application, it is the business of the other officers of the credit union to as quickly as possible secure the funds necessary to make the loan. It would be far better, of course, if these funds could be obtained from members rather than borrowed from a bank but if it were impossi-

ble to obtain the funds from the members at the time, there is really no harm in the credit union establishing its credit at the bank by making a small loan. If the credit committee reduced the loan because they felt that \$400.00 was a little more credit than this man was entitled to, they acted entirely within their province, and it would be impossible for me at this distance to determine whether or not the committee acted properly. It would seem best, in matters of this kind, if a loan could be made in sufficient amount to free the borrower entirely from obligations to a finance company. This would be most beneficial for the man, and would at the same time place the credit union in a little more advantageous position. It would seem, offhand and without personal investigation, that this loan should have been approved by the credit committee and granted by the credit union.

FOURTH QUESTION. A member of two months, who has saved \$15.00 in that time, made an application for a \$60.00 loan. This man is married, and works in a hotel, where he earns \$50.00 per month; he also gets his meals and also tips that amount to about \$20.00 per month. He and his wife live with his parents, where they pay \$3.00 per week for room and his wife's board. He wanted the loan to help pay a hospital bill for his grandmother, who had an accident. The credit committee insisted that he get an endorser on this note; did they act right in this matter?

ANSWER. It would seem to me that the loan should have been granted without a co-maker, but again the credit committee is elected by the members to determine at their discretion what credit shall be extended individual members. It is our general experience in the credit union movement that credit committees are always inclined to be a little too conservative. The safest place we have as yet found for the investment of the funds of a credit union is loans to members, and this fact should always be borne in mind by the credit committee in acting upon loan applications. Let us bear constantly in mind that credit unions are created for the purpose of rendering service to their members, that the borrower from the credit union is also a part-owner of the credit union. Too often I have heard credit committee members say, "A bank would not make this loan." Credit unions have been created because banks fail to perform the personal loan service required by individual citizens. If banks would make the loans which credit unions make, credit unions would not be necessary. We exist for the purpose of making loans which would not be made by banks.

FIFTH QUESTION. What is the function of a credit union chapter?

ANSWER. A credit union chapter is the local unit of the state league. It is usually very informal in its structure. Its meetings should be given over mostly to educational work and discussion. It is the function of the chapter to aid newly formed credit unions and to help in building our state and national organizations. The credit union movement is largely educational. Those people who organize credit unions are simply carrying on an educational campaign in an effort to keep the general public advised as to the things it is possible for them to do under the credit union law. A certain amount of personal contact is necessary in any educational program of this kind. The educational program is first carried on by the National Association and second by the state leagues and chapters. As our credit union development expands, we find that it is impossible at a state league meeting to reach more than a very small percentage of the credit unions in the

state and comparatively almost an infinitesimal number of credit union members. This is due to the fact that it would be necessary for the members of a credit union to travel long distances at considerable expense in order to attend state league meetings. The chapter was therefore devised in order that state league officers and representatives of the Credit Union National Association might go to the credit union member, rather than the members gathering to meet with these officers. The credit union movement can only be successful to such an extent as it is thoroughly understood by the individual members of credit unions.

SIXTH QUESTION. What are the functions of a state league?

ANSWER. The state league is the local organization or representative of the National Association. Its functions are: to organize credit unions; to promote the well-being of existing credit unions; to carry out the program of the National Association within the state; to act as a liaison office between individual credit unions and the state or Federal supervisory body; to protect credit unions in the state legislature against the passage of improper legislation; to protect credit unions against improper state taxation; to carry on an educational program among credit unions and credit union members; to unite and strengthen the credit union movement within the state.

SEVENTH QUESTION. What are the functions of the Credit Union National Association?

ANSWER. It is the business of the Credit Union National Association to organize credit unions, to aid in maintaining a high standard of credit union organization and operation, to obtain passage of laws which will be helpful to credit unions by either state legislatures or the national Congress, to protect credit unions against the passage of legislation which will be harmful to credit unions, to protect credit unions against improper taxation, to combine and enhance the buying power of credit unions in the purchase of such merchandise as accounting forms, accounting machinery, safes, and other equipment necessary in the operation of a credit union, to unite the credit unions and through this union utilize their combined counsel and strength in initiating the development of systems and organizations which will be mutually helpful to all, the benefit from which action is demonstrated in the reduction in the cost of bonds and the saving being made in loan protection insurance; both of these activities were made possible only through united effort.

EIGHTH QUESTION. May a Federal credit union invest its 5% cash reserve in Government bonds?

ANSWER. No. The 5% cash reserve must be money on deposit in the bank subject to withdrawal by check. It may be used for emergency disbursements or share withdrawals.

NINTH QUESTION. May the wife of an officer, director, or committeeman of a Federal credit union borrow in excess of his holdings providing she is a member?

ANSWER. Yes, if she has an independent income so that she has the ability to repay the loan and in this way it does not become her husband's responsibility. Such loans should not be made as a subterfuge to circumvent the prohibition against loans to officers, directors and committee members.

TENTH QUESTION. In our Federal credit union must we always deposit receipts on share and loan payments within 48 hours?

ANSWER. Yes, if so provided in your by-laws. In the great majority of cases this

time limit provided in the Federal bylaws will give the treasurer ample time to deposit his funds in the bank. However, there are exceptional cases where it is impractical to do this. If this question does arise in a particular Federal credit union write to the Credit Union Section, explaining the reasons why it is impractical to deposit the funds within 48 hours, and get an opinion from them as to whether the by-laws may be amended to meet the particular problem.

ELEVENTH QUESTION. Has any study been made of losses on bad loans in credit unions?

ANSWER. Yes. The U. S. Bureau of Labor Statistics found that in a study of 1933 operations of 1800 credit unions, losses amounted to less than one-fourth of one per cent of the amount loaned during 1933. A recent report of the Farm Credit Administration shows that losses charged off on bad loans of 950 Federal credit unions reporting operations on March 31, 1936, amounted to less than one-tenth of one per cent of the total amount loaned since organization. Both studies showed that the majority of the credit unions in the groups did not have to charge off any losses on bad loans.

TWELFTH QUESTION. Is it good credit union practice to permit members to leave their passbooks in the custody of a Federal credit union treasurer?

ANSWER. No, the passbook is the member's official receipt for money paid to the credit union and should remain in the member's possession or control. For audit purposes the value of comparing passbooks with the treasurer's records is lost when the treasurer has both sets of records in his possession. Some credit unions that use payroll deductions have found it advisable for the members to designate a person, located conveniently to the treasurer's office, as custodian of their passbooks. This person holds the passbooks for the members and on pay day presents them to the treasurer for entries and the treasurer returns them to the custodian. Members may, of course, obtain their books from the custodian at any time they desire.

Here's one we chuckled over. *American Business* has been making some independent examinations of the credit union and giving us some extremely unbiased, fair and favorable publicity which we all greatly appreciate. In their July issue they publish a letter of criticism from an industrial banker who sets forth that credit unions are, in the lending business, unfair competition. This is the answer as contained at the end of the letter and every time I read it (and I have read it several times) I get more fun out of it. My hat is off to the editor of *American Business*. Draw up a chair and listen in. "... the first duty of business is to serve society. Our system of private enterprise can be justified only so long as it gives society greater value, in goods and services, than any other system offers. Credit unions and 'co-ops,' like the mail order house and the chain store, exist by the permission of their competitors and in most instances come in through the door which inefficient managers of competitors leave open. Perhaps both credit unions and co-ops may render the American system a real service by supplying the kick in the pants which some elements in our system need." Enough said!

Another Typical Experience

by F. H. HUSEBY

IT WAS through Earl Rentfro's efforts that the credit union within the H. D. Lee Mercantile Company started. He was then Managing Director of the Missouri Credit Union League and the League was particularly interested to organize a credit union of garment workers, believing the need exceptionally acute. We have what might be called a diversified industry—a wholesale grocery house and a garment manufacturing business operating within the same building. We have all types of jobs, union employees and non-union employees, steady positions and jobs requiring only part time services which makes a mighty interesting place for a credit union. In October of 1933 our Credit Union started among a group of factory workers and in less than three years has spread through our entire company to a total membership to date of 582 out of a total personnel of from 700 to 800.

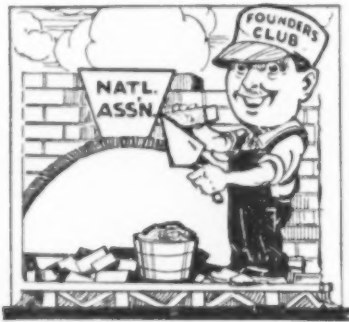
We have enjoyed a steady growth and to build our credit union we have adopted all CUNA and State League ideas. Our Board of Directors have actively conducted an educational campaign through the use of poster boards stationed on each floor of our building and we also write special letters to our members which are mimeographed and inserted in the pass books when returned to our members.

We are completely sold on the BRIDGE and hope to eventually place it in the hands of everyone of our members. In electing officers, we choose those who have shown enthusiasm and can be counted on to follow through in the work. We keep them scattered so we have an officer to contact our members on all floors and in all departments within our company. Our Board of Directors is such an enthusiastic group that we meet once each month at the home of one of the Directors where we conduct our monthly meetings and in conjunction have a sociable time and refreshments are served. This has brought us together in our leisure time and I believe that much of the success of our Credit union may be traced to these evening meetings.

At our last annual members' meeting we combined a business meeting with entertainment furnished by our own employees, and we found a wealth of talent among our members.

I wish I could transmit in writing some of the enthusiasm of both our officers and our rank and file of members for our Credit Union. We surely are indebted to our State League and the National Association for their precepts and guidance. In less than three years we have a good sized worth-while organization.

We have a very fine President, a splendid faithful, enthusiastic Board of Directors, a carefully functioning, sympathetic Credit Committee and an active and precise Supervisory Committee. We look forward to bigger and better things and better service for our members.



News of the Founders' Club

HERE we are—back from the first vacation in years—and taking a first look at the Founders' Club roster to see whether or not we got any recruits since copy was prepared for the July BRIDGE. It's the hottest night of the good old summer time right at the moment. I'm just back from Spider Lake (in north-western Wisconsin) where ordinarily the country would be a beautiful, rich summer green and the roads dry and free of dust and the surrounding farms rich in promise of the bountiful crops which have hitherto been guaranteed by the rich sub-soil of rural Wisconsin. We have been having a meeting of the Executive Committee for four days. I made a trip in that general direction one Sunday in early spring to attend a credit union meeting in Eau Claire and it was a lovely trip, through as beautiful farming country as you will find anywhere in the world.

But on this trip!

The drought which has been with us all summer to this still, hot breathless evening has done its work everywhere. The grass has been burned to a crisp. The further north you go the more hopeless the crops seem to be. The side roads are as deep in dust as our roads in the outskirts of Madison in midwinter are deep in snow right after a big storm and before our very efficient snow removal department have done their stuff. Coming home we raced a forest fire and through a smoke laden atmosphere it seemed that we were running into a tornado (which failed to materialize) and no one cared because we all hoped there was rain in it.

And during these summer months we expect the credit union movement to slow down—and it does although over a hundred new credit unions were reported in July and there were six new ones on my desk this twelfth day of August. We do not expect much activity in the Founders' Club, but I am delighted to note that we closed the July issue (which by the way was produced mostly by our lay-out man Joe Sexton and the BRIDGE Tender with some minor help by wire from the editor who was east all the month) with high number 290 and the new high number is 297. So in spite of the drought and in spite of the summer and in spite of everything we have a class to present for initiation. Anyone who comes into the Founders' Club in August certainly should be thrice welcome; they have

proved that they have what it takes. So here goes!

No. 291 is a long delayed candidate for admission for he won his spurs long, long ago. I nominate A. F. Greenstreet of Salt Lake City, Utah, who has organized several credit unions and came in through the D. & R. G. W. R. R. Dept. Employees FCU (there's a name for you) of Salt Lake City. All in favor say "aye". AYE! The ayes have it! Welcome, Mr. Greenstreet.

To one of the Federal organizers from my old home town, Herbert F. Ingalls, goes the honor of 292. He is a veteran of the World War and a member of Leon E. Abbott Post 57 Credit Union of Swampscott, Massachusetts (where it's lots cooler right now than it is in Madison, Wisconsin). He is doing a fine organization job for the Federal government and chooses the Boston Machine FCU of Lynn, Massachusetts, as his ticket of admission. Front and center—Mr. Ingalls—we're glad to welcome you.

A hearty welcome too to one of the Pennsylvania leaders who did so much to make the successful reorganization of the Pennsylvania Credit Union League possible—H. H. Hook who gets number 293. He is a member of the Koppers Pittsburgh Employees FCU and came in through the Kaufmann's Employees FCU also of Pittsburgh (where incidentally in cooperation with Jimmy Dacus and some other folks he has done so much to make a fine credit union development possible).

Another loyal Pennsylvania credit unionist gets number 294, Rudolph F. Goetz of McKeesport, a member of the McKeesport Postal Employees Credit Union and responsible for the City Employees Credit Union at McKeesport.

Where have you been all this time, Brother Hickey? As a Federal organizer you have been turning your quota in regularly and you were long since eligible as, long before there was a Federal credit union law, you were outstanding in your work in the Armour Berkeley Street Credit Union of Boston. Better late than never! Mr. Hickey chooses the credit union of Chelsea (Massachusetts) city employees as his basis of admission.

We go back to Pennsylvania again (glad we are getting so many members from the East this trip) for member No. 296—James W. Copley of the Circle E Oakmont Employees FCU, responsible for the Westinghouse Generator Division FCU at East Pittsburgh, Pa.

Well—we can't let the East run away with everything even if it is cooler in that part of the country and pretty hot in Wisconsin for we close this class with No. 297 (only three to go to the mystic number 300), I. R. Gibson of the Wisconsin Power & Light Credit Union who gave us the Motor Coach Employees Credit Union right here on the home grounds.

Incidentally we have over 50 credit unions in Madison, a city of about 60,000, or one credit union for each 1200 inhabitants. A similarly proportionate credit union representation for the whole

United States would give us at least 10,000 so we still have something to shoot at. Al Gillette of the Madison Chamber of Commerce claims we have the largest number of credit unions in any city in proportion to our population in the United States. We have never figured it out but would be glad to get some data from some city which thinks it has us beat.

What is the primary business before the Club this summer?

BRIDGE subscriptions!

We have just passed 18,000! It costs \$1200 an issue or \$14,000 a year to get out the BRIDGE. Multiply that by two to get the number of subscriptions we must have before we are out of the red and you get 28,000 subscriptions or 10,000 more imperatively needed before we can draw a really long, free breath in the BRIDGE office. That's where the Founders' Club can help. It isn't difficult to sell the BRIDGE; we do need however to have the contacts to do the selling. Approximately 300 members of the Club averaging 35 new subscriptions each would put us comfortably over the top. When we hit 25,000 we are going to try for a little preliminary advertising.

P. S. Wait a minute! I see a feller running like a son of a gun who looks as though he wants to get in before we send this to the printer! Sure enough! It's none other than our old friend John P. Byers, another Pennsylvanian (I am one to prophesy that the Pennsylvania League is going to come like the proverbial house-afire in CUNA) from the Shenango Pottery Credit Union of New Castle. He comes in via the Johnson Bronze Employees FCU also of New Castle. He made the boat and we're glad of it. He gets No. 298 for the final number of the month.

Another Loan Analysis

(Note the items Illness, Doctors, Hospitals, Operations, Oculists, Dentists) It's from the Joseph Horne Company Employees Pittsburgh FCU.

Analysis of Loans Made by Credit Union
April 1935—May 1936

No.	Amount
26 Illness	\$ 1,315.00
96 Doctors	5,970.00
73 Hospitals and Operations	6,885.00
8 Oculists and Glasses	245.00
98 Dentists	5,220.00
13 Emergency	985.00
5 Death	\$435.00
4 Flood	340.00
4 Mis	210.00
107 Joseph Horne Co. Bills	5,335.00
456 Loans, Bills, and Debts	35,209.00
22 Educational and School	2,235.00
41 Traveling and Vacation	2,060.00
42 Taxes	3,985.00
13 Home and Repairs	1,245.00
69 Household	4,407.00
32 Moving	2,210.00
39 Rent	2,133.00
3 Mortgage	550.00
75 Insurance	4,004.00
79 Auto	9,614.00
4 Business	365.00
22 Miscellaneous	772.00
58 No Reason	3,229.00
1,376 Total	\$97,973.00

The Cooperative Movement as a Means to Economic and Social Justice



We had a few issues ago a fine article by A. B. MacDonald about the great work which is now going on in Nova Scotia under the direction of the Department of Extension of St. Francis Xavier University. The Catholic Church has long been interested in cooperation. Pope Leo XIII in his famous encyclical on Labor set forth the virtues of cooperative action, as did Pope Pius XI in his encyclical "Quadragesimo Anno". We are glad to quote extracts from a recent address by Rev. Charles Aziere, Professor of Economics at St. Benedict's College, Atchinson, Kansas.—EDITOR'S NOTE.

by **Rev. CHARLES AZIERE, O.S.B.**

AT THE heart of the diocese of Antigonish in Nova Scotia nestles a pretty town of the same name. There on a high green hill stand the neat, brown buildings of St. Francis Xavier, a Catholic center of learning. Unwilling to go on turning out graduates to seek but not to find a place in the world, St. Francis Xavier has taken upon itself the task of building a new civilization upon the ruins of the old. Today the men of St. Xavier's are fashioning a new life-pattern of Nova Scotia", so writes Gustav Francis Beck of the Carnegie Foundation, in the Journal of Adult Education, April 1, 1935.

What is this new life-pattern in Nova Scotia being built by a group of diocesan clergy, this new civilization comparable to work once performed by the Benedictine monks of St. Gaul? Is it a movement of limited application, of universal interest; utopian in origin, of sound practicability; of Catholic principles and Catholic leadership in its distinctiveness? *"It is the boldest and most constructive attempt to conquer the depression that is going on anywhere in the world"* . . . *"It is one of the most amazing examples of adult education ever undertaken anywhere"*, answers Mr. Beck. Now if that is true, where lies the role of the modern Benedictine in the regeneration of society, if the way has been found to bring about the rebuilding of the new on the ruins of the old?

It need not be the province of this paper to discuss the question of whether the old is in ruins. The writings of Popes Leo XIII and Pius XI have long since pointed out the inequalities, injustices, and chaotic economic and social conditions of modern society—a society breeding communism, dictatorships, and political disturbances throughout the world. Nor is America exempt from tendencies alarming to all but the ultra-complacent. Fundamentally, these disturbances are economic, and it is the purpose of this paper to discuss a proffered present day solution of the problem that is neither communistic nor militaristic, but in reality more democratic than present democracy, and more Christian than present Christianity.

These middle class associations which happily combine economic advantages of which the Pope speaks, and which form the basis of the program of St. Francis Xavier's at Antigonish, are commonly referred to as

Cooperatives. Fundamentally, from an economic standpoint, there are four phases of cooperatives—production, marketing, credit, and consumptive, although the individual associations foster social and educational work as well. Dr. Toyohiko Kagawa, the Princeton graduate who took the cooperative idea to Japan, organized it and made it a vital force in that country, and who is now touring the United States as the great Christian leader of Japan, adds three more types of cooperatives—insurance, control of the public utilities, and mutual aid associations, such as schools and hospitals. Of these only mutual aid is distinctive, since insurance can be combined with credit, and public utilities are either production or distribution enterprises. Regardless of the classification, the essential point is that the cooperative movement fosters cooperative ownership and control of the factors involved instead of capitalistic ownership and control.

The consumer cooperative was born among a group of textile workers who had just lost their case in a strike in Rochdale, England, in 1843. With an initial investment of \$140, saved over the period of a year, the society started their first store stocked with tea, tobacco, sugar and meal. From that meager beginning the consumer cooperative has become England's biggest business, doing one-third of its retail trade, owning among other things 150 manufacturing plants, tea plantations in India and Ceylon, palm and olive plantations in Africa. The English Cooperative Wholesale Society ranks with anything in size and importance found among the American industrial giants, but with these fundamental differences:

1. Democracy of control—each member of a cooperative association has one vote regardless of the amount of stock held; one share, one vote, ten shares, one vote, instead of the capitalistic plan of ordinarily voting in proportion to shares held.
2. Profits accrue to members in proportion to goods purchased and not to money invested. Any invested capital receives a flat rate of four or five per cent, never more than six, and any profits after expenses accrue to patrons in the form of rebates in proportion to the goods purchased instead of to the owners in proportion to investment as in the case of capitalistic dividends.

3. Unlimited membership—membership in a cooperative is not limited by a person's financial position. The only qualifications necessary are moral character, a spirit of social cooperation and community mindedness. A person's membership, if he so desires, starts with his first purchase by allowing his rebates to accumulate against share ownership. There are no fees, no form of coercion. Membership is entirely voluntary, but the number of shares that any one member may hold is distinctly limited, and a withdrawing member must resell his shares to the association, thus abolishing the possibility of speculation in shares as found on the modern stock exchanges which is such a racket in corporation securities.

4. Business is done for cash only at the current market prices where competition is present to avoid the dangers of modern cutthroat practices, and any profits so made are considered to be overcharges and as such returned to the patrons of the business instead of going to the owners.

5. Funds are set aside for educational purposes. Every association stresses educational work through circulars, newspapers and pamphlets to spread the movement, and study clubs, summer schools and so on to train their own leaders. Such summer schools for cooperatives are conducted in America, and the North Kansas City Cooperative Association, one of the largest in America, is to open a regular fall training college. The present federal government is supplying funds for such educational work. It is in this field particularly that St. Francis Xavier is devoting its resources.

6. Cooperative societies cooperate with one another. Individual associations dealing in general merchandise, drugs, groceries, gas stations, creameries, farm supplies, or any of the other special activities, join together to form wholesale associations for the purpose of securing large scale buying economies, wholesale associations in turn banding together for control of production sources.

7. Annual auditing of the societies' records, bonding of officers and so forth, to promote and insure honesty and efficiency in management. This provision is stressed most earnestly, because experience has shown that poorly organized associations will defeat their own purpose and fraud will enter where carelessness opens the portals.

8. Labor provisions—The workers in cooperatives may become members of the association in the regular way and as such have their vote with all other members over all policies affecting the association. Unions among workers are fostered. Wages are at least the standard of the locality, although higher wages are encouraged where possible, and the regular rebates are available to the worker-patrons or shareholders. The employees of cooperatives have almost invariably been treated excellently.

A word must be said about the credit union. The credit union is a term used in this country to designate the cooperative plan carried into the field of banking and

finance. Through these associations the depositors become the owners of their own banks, shareholders receive a fixed rate of interest of five or six per cent, and all other profits are turned back to the depositors, instead of going to the bank stockholders.

The National Association (Credit Union) Directors recognize the Catholic parish as one of the best existing organized units to carry out the credit union aims, and special plans are being worked out by the national directors in methods of organizing credit unions along parish lines.

The cooperative movement has been likened to a return to the medieval guild system, though the similarity between the two is most characteristic in that both fostered the community endeavor rather than individualism and the dog eat dog policies of unrestrained competition. Mr. Nusbaum, at the last basketball game, reiterated the statement that the competition faced by the small business man is suicidal. It is, and the only solution outside of state socialism or governmental regulation under dictatorial penalties, with the accompanying bureaucracy of unwieldy administration, inefficiency, waste of public money and potential graft, seems to be the consumer control as worked out under the Rochdale system started in England and subsequently spread throughout the world, finally reaching even America.

If You Like This Issue—Help Us Make the Bridge Permanent!

THIS issue of the BRIDGE is a sort of birthday. We have been publishing six months. We have tried to make each issue better than the previous issue. We have received all of your letters commending what we have done. *But there is one thing we cannot do that is essential.* We cannot solicit each and every one of eleven hundred thousand credit union members for a subscription. If we could do that—we'd have a hundred thousand subscribers in no time. We cannot hire solicitors and *would not if we could* because we know that the credit union leadership of the country wants the BRIDGE and will help to make it possible. Our first 18,250 subscribers about pay for the first six issues. Double the subscription list (each subscriber doing the solicitation to get subscriptions) and we will rapidly build to the point where advertising is possible. We (you and I and all the other credit unionists) have done magnificently this first year developing various activities of CUNA. We have done well with the BRIDGE thus far.

Now we enter the second phase—again from scratch with the immediate necessity of doubling our subscription list.

IF YOU LIKE THE BRIDGE—HELP US—AND HELP US NOW!

Why Is Business Strong For Credit Unions?

(Continued from page 6, column 3)

credit unions. Of course the credit union idea is not a late development, but, as can be seen from the date of establishment, there have been a great number established during the past three or four years.

As is probably well known, 42 states have laws permitting the establishment of credit unions, and in 1934 the Federal Credit Union Law was enacted, which means that a credit union may be established in any place in the United States.

Due to the work of Edward A. Filene and his contributions for the expense of promoting the idea, credit unions have enjoyed a big growth, because experience has shown that they go a long way toward relieving workers of financial embarrassments caused by patronizing loan sharks at ruinous interest rates. Commenting on this phase of credit unions Charles T. O'Neal, president Chicago and Eastern Illinois Railway Company, says, "Our officials feel that these unions constitute a real service and are appreciated by the employees. It enables them to borrow money at a reasonable rate of interest and makes it unnecessary to negotiate with loan sharks."

E. W. Kempton, director industrial relations, American Steel and Wire Company, says, in commenting on the credit union operated by employees of his company, "There is no doubt that our credit union renders a real service. Men have been rescued from burdensome debts, and some of them from loan sharks. I look upon these associations with real enthusiasm."

Charles Marsh, office-personnel director, the Timken-Detroit Axle Company, says, "The management thinks highly of this movement and has assisted in every way possible to make it a success. In fact, it has advanced the necessary \$25 for the charter. It has furnished an office, equipment, and a clerk to assist the treasurer. The credit union is operated entirely independent of the company. All officers are elected by the members, and the board of directors adopt all policies subject, of course, to the limitations of their charter."

Credit unions may be established with only a dozen members; in fact, such a small group has frequently established credit unions which, a few years later, numbered members running into the thousands. The usual price of a share is \$5.00, payable at 25 cents a week, with a charge of 25 cents for a pass book. Only members may borrow; the rate of interest may not exceed 1 per cent a month; members have only one vote, regardless of the number of shares they own. There is no voting by proxy. Loans may be made with or without cosigners of notes, or collateral. Usually by-laws govern the amount of loans which can be made without collateral or cosigners, and type of loans made.

More than 1,000 credit unions were established under Federal charter in 16 months following enactment of the Federal law on credit unions. Now, it is claimed

more than 100 new credit unions are being established monthly.

There are many phases of credit unions which recommend them to employers, although employers do not, as a rule, have any voice in the management or operation. Yet they solve several problems for employers. They eliminate the demand for loans to employees; they encourage thrift; they build morale; they end difficulties with garnishment actions. Perhaps L. A. Downs, president, Illinois Central System, has summed it up better than we could when he said, "The credit unions have accomplished a great deal of good in enabling our employees to keep free of loan sharks, thus relieving them of worry over financial matters. They have made it possible for our employees to borrow money on reasonable terms for the purchase of automobiles, household goods and other necessary articles, all of which has been helpful in overcoming the effects of the business depression."

Readers who are interested in starting a credit union may obtain full information from Roy F. Bergengren, managing director of the Credit Union Association, Raiffeisen House, Madison, Wis.

On the Back Steps

THIS NICE warm summer day (which is a charitable way of describing the drought) we have had a fair quota of visitors at Raiffeisen House. We feel that if we could just visit with every credit union member in the United States and show him Raiffeisen House and how we are trying to do his business we would have a 100% membership



in the State Leagues and therefore in CUNA. We are thankful, however, for those who do come in and we are starting a new department—a guest register so that our second year we will be able to tell you from time to time just who does come in to see us. Generally at some time or other the boys who come in adjourn to the back steps "for a chin with Tom." Here is Pres. Holmes, the smiling gent in the middle and to the right Charley Hyland, credit union organizer for Wisconsin, and they are telling Tom where he gets off and Tom is grinning in anticipation of what he is going to tell them just as soon as the picture is snapped. Lots of the important business of CUNA has been mapped out by credit union leaders, chinning on the back steps.

Glad to get the credit union bibliography by C. J. McLane which fills a long felt want.

Miscellany From the Editor's Mail!



This picture was taken just as Earl remarked to the gent falling from the roof of Raiffeisen House: "Now don't you wish your loan was insured?"

Two Corrections

There was a mistake in the article entitled "Hail to the President" on page 9 of the July issue. Mr. Brice, the new and able President of the Wisconsin Credit Union League is referred to in one place in the article as "Mr. Falk." In the article entitled "Random Notes on the Declaration" on page 28 there is a reference to Wells' "Outline of History" only unfortunately Mr. Well's name is spelled "While." It is no alibi that the boss was on vacation as he is a poor proof reader and there would probably have been more mistakes had he been home.

What's Become of Our Courage?

Here's a paragraph which is causing us to think a little. Someone wrote in recently: "What's become of your courage? In the old days you put a State League on a self sustaining basis with a full time Managing Director when you had sixty credit unions. You have many more than that total now in a dozen states which need full time Managing Directors and have none! What are you waiting for?" Many BRIDGE readers have asked me not to use slang and I can't very well swear so all that I can say is that "The situation mortifies me far beyond my capacity for personal restraint. It certainly impresses me as being a situation calling for the cultivation of intestinal fortitude!"

The Columbus Consumers Cooperative FCU have also published a 'News.' The August issue contains an interesting cut entitled "Where Your Dollars Weigh More."

Federal Treasurer's Bonds

After much study and consultation with surety bond experts the Credit Union Section announces that it has drawn up a new form of faithful performance bond.

The new form incorporates the best provisions of the many forms now in use. It is devised to cover all the requirements of the Farm Credit Administration and should simplify bonding procedure. It will be prescribed for use when treasurers of new Federal credit unions are bonded and when present bonds of treasurers are renewed, but present bonds, if they have previously been accepted as satisfactory, need not be replaced by the new form until they expire or become renewable. The Credit Union Section is calling in all present bonds of treasurers of Federal credit unions for the double purpose of examining them to see that they meet all requirements and of making a record which will show when they expire or become subject to renewal.

We note an article in the *Nation's Business* (copy of which may be had from the Credit Union Section of the FCA) entitled "Armco Workers Learn to Save" by Hugh G. Wright which tells the inspiring story of the service rendered by the credit unions within the American Rolling Mill Company at Ashland, Kentucky, and Middletown, Ohio, and Butler, Pennsylvania.

BRIDGE SUBSCRIPTIONS! Now total 18,255; we are out of the red at 32,000! Enough said!

Nineteen credit unions in Decatur according to the August Illinois Credit Union News.

How Would You Bequeath A Million Dollars?

IN THE Saint John's (New Brunswick) Woman's Institute Competition for the best answer to this inquiry "How would you bequeath a million dollars if you had that amount of money to leave and no relatives to whom to leave any portion of it?" the following was judged the best entry. Remember the competition was in the Province of New Brunswick, new to the credit union movement.

"I have been hearing and reading much about Credit Unions. The more I study the subject, the more convinced I am that this movement, lately sponsored in New Brunswick by the Provincial Legislature, is the answer to the crying need of real and effectual training for intelligent sound business capacity and moral character, teaching as it does thrift, foresight, self-control and the habit of harmonious combination for common ends.

"The actual value of associative ventures of this sort has been more than proven by the experience of other countries, so that it is not in the nature of an experiment, but rather of adoption of something that has long gone beyond the trial stage.

"If I were preparing for an indefinite sojourn beyond 'the bourne from which no traveler returns,' had no relatives and a million dollars to dispose of, I would therefore unhesitatingly leave it to an incorporated board of trustees, for the purpose of founding and of assisting Credit Unions—a sort of Central Credit Union Bank from which small unions could borrow at nominal interest amounts larger than their exchanges hold.

"To finance such ambitious schemes as home building, community improvements, providing healthful sports and competitions, assisting outstanding clever young people to their goals. In other words, helping my fellow men.

"I could then approach the 'pearly gates' with confidence that St. Peter would welcome me to admittance, and direct his angel usher to show me to a seat beside Abou Ben Adhem, whose passport to heaven was his love for his fellow men."

Extracts from a recent letter from Miss Bertha Siegel of the B. W. W. Credit Union of Birmingham, Alabama. First Miss Siegel tells how she likes the BRIDGE. Then she notes: "In every credit union there is one to whom everyone can go with his problems great and small . . . Claude Parker helped us organize our credit union in 1934 . . . we elected E. E. Cavalier Jr. our president and he is without a doubt one of our outstanding members . . . in addition he has put in the ground work for two large Birmingham credit unions . . . I fail to see how any concern large or small can be without a credit union. It helps to create a better spirit."

The Decatur (Illinois) Firemen's Credit Union is moving along well from a recent report received from Treasurer Bretz.

A Little Man With BIG NEWS!

Education and How!

We sleep occasionally in the credit union movement and a recent trip to Nova Scotia woke the BRIDGE editor up with a bang! It was like falling out of bed into a very cold lake if you can imagine such a thing. In the United States we have not yet sufficiently appreciated the place of education in the credit union set up. So we are going to do something about it. First we invite suggestions as to educational plans being used by individual credit unions—posters, pay envelope publicity, house organs, classes, etc. We shall have material on this subject in this section every month and we realize that there are large numbers of credit union members well qualified to make suggestions. So make this your department and give us some suggestions which you may be sure will receive careful attention.



The Bridge Tender Takes a Vacation

The Bridge Tender, who takes care of our increasing subscription list, writes for us and is general factotum around the BRIDGE office, is vacationing with her parents at Wolf Hill, Gloucester, Massachusetts. Much of the success of the BRIDGE to date is due to her untiring efforts in its behalf and we shall be glad to welcome her back to the editorial office (which is also the subscription and advertising department) just before Labor Day. She sends greetings to all BRIDGE readers.

Along that line we have a fine prospectus to the North Carolina credit unions (similar to several others which are seeking a similar result) urging that North Carolina contribute proportionately to the new subscriptions needed for a 50,000 total.

"Are You Moving?" asks a recent poster from the Koppers Pittsburgh Employees FCU and it then proceeds to show just how the credit union can help if you are. "If you are considering the purchase of furniture, coal, repairs to your home or clearing up those accumulated bills you can save money through credit union financing," notes a bulletin issued by the Yorkco York Employees FCU.

An excellent leaflet about vacation loans from the Katy Employees Credit Union of Dallas. These folks also responded favorably and promptly to our suggestion that Senator Sheppard of

Texas had been Public Friend No. 1 of the credit unions this past year.

The East Bay Telephone Employees FCU's statement shows what can be done "without management aid or sponsorship and with only word of mouth advertising." The credit union has \$3127 and 271 members, has been operating but a relatively short time and is making an exceptional record.

Said Shakespeare: "It is one of the most beautiful compensations of this life than no man can sincerely help another without helping himself." Whereupon Edwin Markham remarked: "The crest and crowning of all good, Life's final star—is Brotherhood."

Some folks pray like Johnny whose mother asked him: "Do you say your prayers each and every night?" "Well, no," said Johnny, "some nights I don't

want anything." I recall a credit union with assets of more than a million dollars which wouldn't join its state league until the Bank Commissioner of that State asked that a \$10,000 limit be placed on individual credit unions!

Glad to see Neal Hutchins of the Iowa League at the Spider Lake meeting and subsequently at Madison. It is almost becoming a habit for Mrs. Hutchins to celebrate her birthday at some credit union gathering. She is a charter member of the Credit Union Widows. Should our wives ever go on a strike against this business of being always in motion—I would fear for the credit union movement in the U. S. A.

The neat bulletin of the Atlanta Postal Credit Union, entitled "Debits and Credits," comes in occasionally and is always well done and most welcome.

The Adohr Milk Farms Federal Credit Union has recently issued an analysis showing the cost of credit by the credit union as compared with a local loan company, according to its advertised rate.

Loan	Their Cost			Adohr Credit Union Cost		You Save	
		Working Hours		Working Hours		Working Hours	
\$ 75.00	\$27.75	37	\$ 4.87	6½	\$22.88	30½	
100.00	31.00	41½	6.50	8¾	24.50	32¾	
150.00	50.00	66¾	10.50	14	39.50	52¾	

Thus—if you borrow \$150.00 from this finance company—you must *Work More Than A Week For Which You Will Not Get Even Salt—Just To Pay the EXCESS Charges Of This Finance Company.*



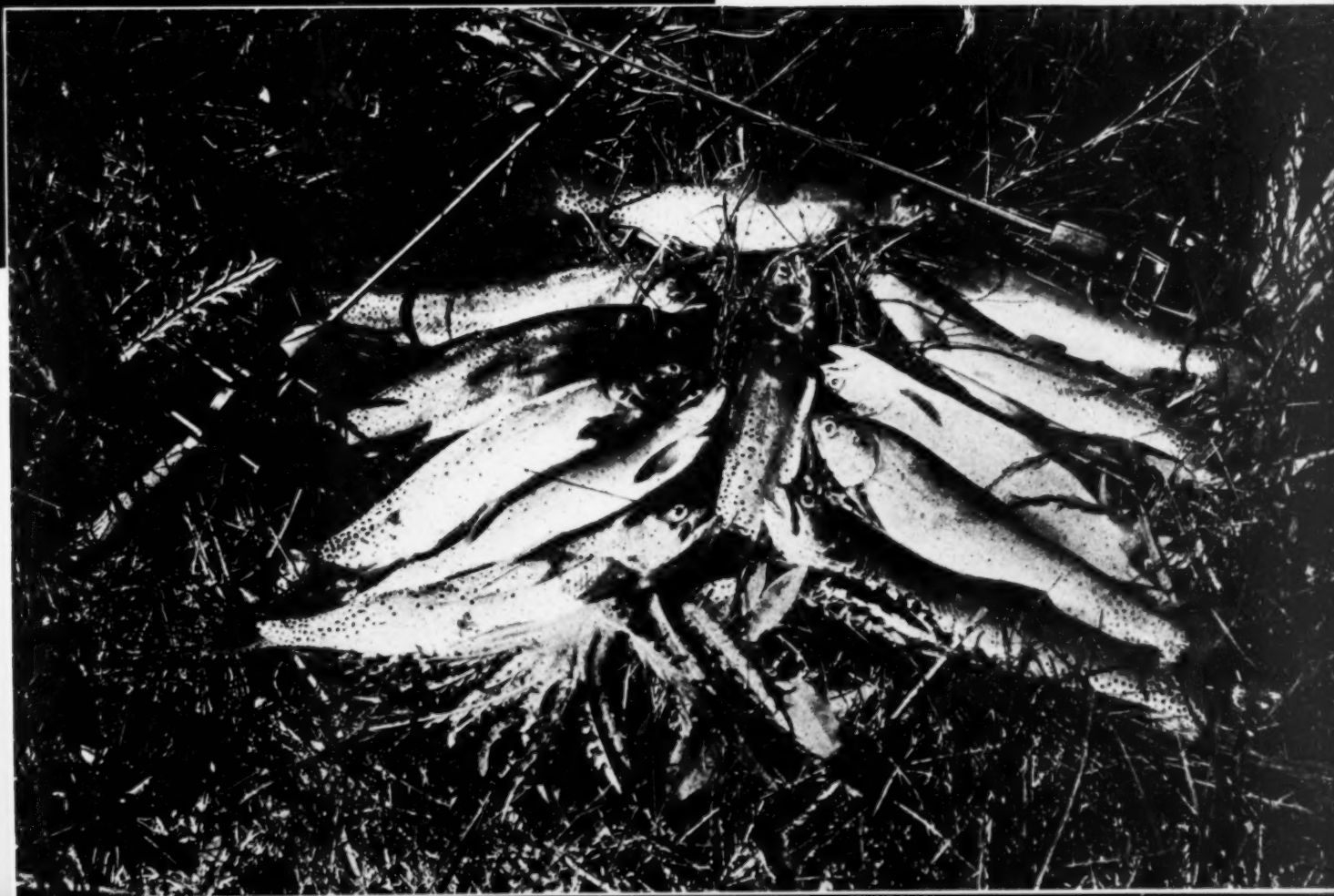
Of Recreation there is none
So free as fishing is, alone;
All other pastimes do not less
Than mind and body, both possess;
My hand alone my work can do;
So I can fish and study too.



O! the gallant fisher's life,
It's the best of any:
'Tis full of pleasure, void of strife,
And 'tis beloved by many.

Other Joys
Are but toys;
Only this,
Lawful is;
For our skill
Breeds no ill,
But content and pleasure.

From
The Compleat Angler
by Izaak Walton



Contact Directory

To contact the Credit Union National Association, the Cuna Mutual Society, the Printing and Supply Department, the BRIDGE or any State not listed below, address:
Credit Union National Association, Raiffeisen House—Madison, Wisconsin

To contact the Federal Credit Union Section address all communications to:

C. R. ORCHARD, *Director*, Credit Union Section
Farm Credit Administration, Washington, D. C.

Mr. Orchard will refer your inquiry to the Field Representative in your District. For this purpose the United States is divided into nineteen districts with a well qualified resident field secretary in each District and prompt cooperation is assured.

To contact the State Leagues address:

State	Managing Director	Address
Alabama	CLYDE C. PARKER	1242 Brown-Marx Bldg., Birmingham
Arizona	WILLIAM OLDEWAGE	20 East Second St., Tucson
Arkansas	H. F. INGRAM	4801 Prospect Ave., Little Rock
California	JOHN L. MOORE	P. O. Box 964, Oakland
Colorado	FRANK L. HAYS	City Hall, Denver
Connecticut	L. R. NIXON	Senior High School, New Britain
District of Columbia	D. ROLAND POTTER	253 Senate Office Bldg., Washington, D. C.
Florida	GEORGE A. GROSS	City Engineer's Office, Jacksonville
Georgia	MOSES C. DAVIS	302 Federal Annex Building, Atlanta
Illinois	JOSEPH S. DERAMUS	332 So. LaSalle St., Chicago
Indiana	G. A. MILLET	926 No. Pennsylvania St., Indianapolis
Iowa	A. NEAL HUTCHINS	510 Securities Bldg., Des Moines
Kansas	M. V. SIMPSON	521 S. Madison St., Wichita
Kentucky	GARFIELD SEIBERT	2817 Field Ave., Louisville
Louisiana	L. EMORY SMITH	U. S. Post-Office, Baton Rouge
Maryland	JAMES D. M. MARQUETTE	803 Venable Ave., Baltimore
Massachusetts	RICHARD L. COURTENAY	Room 23, 5 Park Sq., Boston
Michigan	KARL GUENTHER	19303 Centralia, Redford Station, Detroit
Minnesota	CLIFFORD O. SKORSTAD	1954 University Ave., St. Paul
Mississippi	B. F. HILLEBRANDT	1618 25th Ave., Vicksburg
Missouri	G. W. BOYD	1330 Baltimore Ave., Kansas City
Nebraska	G. G. GUDMUNDSON	3502 Harrison, Omaha
New Jersey	P. P. MCGEE	160 Lincoln Ave., E. Roselle Park
North Carolina	H. M. RHODES	U. S. Post-Office, Raleigh
Ohio	CLAUDE E. CLARKE	1940 East 6th St., Cleveland
Oklahoma	HANEY HOSKINS	Armour and Company, Oklahoma City
Oregon	HUGH G. STOUT	307 Studio Bldg., Portland
Pennsylvania	JOSEPH A. MOORE	Rm. 203 City and County Bldg., Pittsburg
Rhode Island	AMOS L. LACHAPPELLE	301 Main St., Pawtucket
South Carolina	J. GORMAN THOMAS	Rt. 1, Box 187, Charleston
Tennessee	R. E. RAU	The Mead Corporation, Kingsport
Texas	C. T. BERGERON	Box 534, Dallas
Utah	KARL S. LITTLE	865 Amanda Ave., Salt Lake City
Virginia	E. L. FIELD	U. S. Post-Office, Richmond
Washington	PAUL A. BOBERG (East)	U. S. Post-Office, Spokane
	C. A. ANDRUS (West)	City Light Bldg., Seattle
Wisconsin	JOSEPH A. KUEMMEL	259 East Wells St., Milwaukee, Wis.

To establish the right contact in any other State apply to the National Association

ONE YEAR OLD

On August 16!

THE Cuna Mutual Society (organized and operating under the mutual life insurance laws of the State of Wisconsin for the purpose of writing loan insurance for credit unions affiliated in State Leagues which are members of the Credit Union National Association) salutes all BRIDGE readers on its first birthday!

Here is the bill-of-fare which we spread before our members:

Total coverage written the first 12 months	\$11,387,855.09
Coverage written in July	\$ 1,826,368.84
Estimated August coverage	\$ 2,100,000.00
Total number of death claims paid the first year	98
Total in money paid in death claims first year	\$ 10,972.28

Primary achievement the first year—THE AA POLICY! This policy reforms the whole business of loans insurance and places it on a cooperative, a credit-union-way-of-doing-it basis. If you want to know about it (and the credit unions are rapidly adopting it) or anything else about the company fill in this blank and mail it in.

To the Cuna Mutual Society,
Raiffeisen House, Madison, Wisconsin.

Please send the undersigned all available data about the Cuna Mutual Society and particularly the AA Policy.

Name _____

Address _____
(St. and No.) (City) (State)

We have thus far protected approximately a quarter of a million credit union loans!

Not for Charity — not for profit — BUT FOR SERVICE

CUNA MUTUAL SOCIETY

Raiffeisen House — Madison, Wisconsin

Congratulations

to

THE BRIDGE BUILDERS

and

“THE BRIDGE”



THE J. B. KUNZ COMPANY
HUNTINGDON, PENNA.

*Manufacturers of Bank Pass Books and
Depositor's Receipt Books*